



KITTITAS COUNTY PUBLIC HOSPITAL DISTRICT No. 1
BOARD OF COMMISSIONERS' REGULAR MEETING
KVH Conference Room A & B

August 24, 2017 – 5:00PM

SUPPLEMENTAL

- 1. Call to Order**
- 2. Approval of Agenda ****
(Items to be pulled from the Consent Agenda) **(1-2)**
- 3. Consent Agenda ****
 - a. Minutes of Board Meetings: July 27, 2017 **(3-5)**
 - b. Approval of Checks **(6)**
 - c. Report: Foundation **(7-8)**
 - d. Minutes: Finance Committee **(9)**
 - e. Minutes: Quality Council
- 4. Public Comment and Announcements**
- 5. Presentations**
 - a. Kyle West: Introduction of New First-Year Residents of the Community Health of Central Washington Family Medicine Residency Program
 - b. County Commissioner Paul Jewell: Update on WDFW PILT Progress **(10)**
- 6. Reports and Dashboards**
 - a. Quality – Mande Olsen **(11-12)**
 - b. Chief Executive Officer – Julie Petersen – **Legislative Summary** **(13-14s)**
 - c. Medical Staff
 - i. Chief of Staff, Timothy O'Brien MD
 1. Medical Executive Committee Recommendations for Appointment and Re-Appointment ** **(15)**
 - ii. Chief Medical Officer, Don Solberg MD **(16)**
 - d. Finance – Chief Financial Officer - Libby Allgood
 - i. Operations Report **(17)**
 - ii. Finance Committee Report – Commissioner Liahna Armstrong
 1. Capital Expenditure Request ** **(17f)**
 - e. Operations **(18-19)**
- 7. Education and Board Reports**
 - a. Covery's Risk Management Governing Board Risk Education Bootcamp, Sept. 22, Spokane, Wash. **(20)**



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8. Old Business

- a. Wound Care Proposal Update (20a)
- b. Approval of KVH Strategic Plan ** - **Additional Document** (21-21L)
- c. KVH Radio Hill Annex

9. New Business

10. Articles and Communication – Additional Clipping (22-30)

11. Executive Session

- a. Recess into Executive Session, Personnel & Real Estate - RCW 42.30.110 (b)(g)
- b. Convene to Open Session

12. Adjournment

Future Meetings

- September 28, 2017, Regular Meeting
- October 26, 2017, Regular Meeting

Future Agenda Items

- October: Evaluation of New Board Agenda Format
- Musculoskeletal Update

Kittitas Valley Healthcare
Board of Commissioners
July 27, 2017
KVH Conference Rooms A/B

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

KVH STAFF PRESENT: Julie Petersen, Libby Allgood, Carrie Barr, Mandee Olsen, Amy Diaz, Carrie Youngblood, 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:**

ACTION: On motion of Bob Crowe and second of Matt Altman, the Board members unanimously approved the agenda.

3. **Consent Agenda:**

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved the Consent Agenda. Erica Libenow announced that the KVH Foundation Board is looking for new Foundation Board members. She asked the Commissioners to notify her or Foundation Director Michele Wurl if they are aware of an interested community person who would have time to serve on the Foundation Board.

4. **Public Comment/Announcements:**

Liahna Armstrong commended the KVH staff for the outstanding care she received recently as an inpatient at the hospital.

5. **Presentations:**

Mandee Olsen presented the Safe Catch clinical award to Andrew Nassis, Physical Therapist, at Home Health and Hospice and the non-clinical award to Jodi Morse and Cody Sorenson, Engineering Techs in the Engineering Department. Julie Petersen announced that KVH Hospice has received the Strategic Health Partners (SHP) Top 5% performer's award for overall satisfaction as measured from the caregiver's point of view.

Amy Fuller, Kittitas County Health Department, gave a PowerPoint presentation regarding Kittitas County Health Rankings and Roadmaps as compared to other Washington State counties. She reported that Kittitas County ranks 15 out of 39 counties overall. Ranking areas compared were morbidity, health behaviors, clinical care, social-economic and physical environment. This information has been valuable for planning healthcare needs for the county.

6. **Reports and Dashboards:**

The Board members reviewed the QI dashboards and summary. Mandee Olsen had the Board members participate in the HCAPS patient satisfaction survey that is given to hospital inpatients.

The Board members reviewed the CEO report with Julie Petersen stating that she shadowed Dr. Birger for several hours during his patient appointments at the internal medicine clinic and it was a great experience. She noted that the clinic needs its own phlebotomy lab in order to better serve the patients. She reported that KVH had purchased a table and attended the recent Life Support event in Cle Elum. She announced that she has been asked to join the Ellensburg Downtown Association as a Board member. Julie reported that a local attorney is assisting with the zoning for the KVH Radio Hill building in order to meet city regulations. She stated that NAC Architects are working with KVH Engineering Director, Mike Severns, regarding building plans.

Carrie Youngblood reported that the next employee opinion survey will be launched on October 16-17. She stated that senior management is looking into if it would be better to join the PEBB for insurance versus being self-insured.

Amy Diaz and senior management updated the Board members regarding strategic planning input they received from employees and key stakeholder groups. They shared draft mission and vision statements as well as focus areas and core values. These items will be shared with KVH employees and key stakeholder groups for final input in August. Julie Petersen stated that the Board will be asked to approve the final strategic plan at the August 24 regular Board meeting.

ACTION: On motion of Bob Crowe and second of Davis, the Board members unanimously approved the initial appointments for Dr. Michael Druschel and Ryan Ahr, PA-C, and for reappointments for Dr. Krista Summers, Dr. John Walters, Dr. Gregory Galdino, Dr. Deborah Nautsch, Dr. Kenneth Lindsey, Teresa Beckett, ARNP/PA-C, Jonathan Seabrook, PA-C, William Waites, PA-C, and Anita Schiltz, ARNP, as recommended by the medical executive committee.

The Board members and Dr. Don Solberg reviewed the Chief Medical Officer report. Dr. Solberg added that a .02 occupational medicine provider has been hired who can provide a full range of services.

Libby Allgood reported financials for July noting that the hospital will be receiving a payment of 1.4 million from Noridian as a result of last year's cost report.

ACTION: On motion of Matt Altman and second of Bob Crowe, the Board members unanimously approved Debt Resolution No. 17-09.

ACTION: On motion of Bob Crowe and second of Matt Altman, the Board members unanimously approved Resolution No. 17-10 regarding surplus property.

ACTION: On motion of Bob Crowe and second of Matt Altman, the Board members unanimously approved the capital expenditure request for the purchase of the blood bank testing instrument in the amount of \$97,350.00 for Laboratory Services.

The Board members reviewed the operations report for the clinics with Carrie Barr inviting the Board members to attend the Open House at the Community Health of Central Washington clinic on August 1 to celebrate its ten-year anniversary.

The Board members reviewed the operations report for nursing services and ancillary services. Rhonda Holden reported that the new digital mammography will be available to patients around August 25th. Liahna Armstrong stated that the new pharmacy service and hours are a great service to the community.

7. **Education and Board Reports:**

The Board members reported that they attended the WSHA rural conference in Chelan on June 25-28. Board members Liahna Armstrong, Matt Altman, and Bob Davis expressed an interest in attending the Advocacy Days in Washington, D.C. in September.

8. **Old Business:**

None.

9. **New Business:**

None.

10. **Articles and Communication:**

The Board members reviewed the various clippings and correspondence items.

At 8:10 p.m., President Armstrong announced that there would be a 10 minute recess followed by a 45 minute executive session regarding personnel and real estate. RCW 42.30.110(b)(g)

At 9:05 p.m., President Armstrong extended the executive session for an additional 45 minutes.

At 9:50 p.m., the meeting was reconvened into open session. With no further action and business, the meeting was adjourned at 9:51 p.m.

CONCLUSIONS:

1. Motion passed to approve the Board agenda.
2. Motion passed to approve the Consent Agenda.
3. Motion passed to approve the initial appointments and reappointments as listed above as recommended by the Medical Executive Committee.
4. Motion passed to approve Debt Resolution No. 17-09.
5. Motion passed to approve Resolution No. 17-10 regarding surplus property.
6. Motion passed to approve the capital expenditure request for the purchase of the blood bank testing instrument in the amount of \$97,350.00 for Laboratory Services.

Respectfully submitted,

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

DATE OF BOARD MEETING: August 24, 2017

ACCOUNTS PAYABLE CHECKS/EFTS TO BE APPROVED:

#1	AP CHECK NUMBERS	<u>234665-235591</u>	NET AMOUNT:	<u>\$3,704,610.20</u>
#2	AP DIRECT DEPOSIT NUMBER	<u>109-110</u>	NET AMOUNT:	<u>\$28,777.12</u>
		SUB-TOTAL:		<u>\$3,733,387.32</u>

PAYROLL CHECKS/EFTS TO BE APPROVED:

#1	PAYROLL CHECK NUMBERS	<u>80448-80469</u>	NET AMOUNT:	<u>\$28,570.90</u>
#2	PAYROLL CHECK NUMBERS	<u>80470-80490</u>	NET AMOUNT:	<u>\$35,395.16</u>
#3	PAYROLL DIRECT DEPOSIT	<u>EFT</u>	NET AMOUNT:	<u>\$969,066.16</u>
#4	PAYROLL DIRECT DEPOSIT	<u>EFT</u>	NET AMOUNT:	<u>\$1,050,458.56</u>
		SUB-TOTAL:		<u>\$2,083,490.78</u>

TOTAL CHECKS & EFTs: \$5,816,878.10

Prepared by

Sharoll Cummins

Sharoll Cummins
Staff Accountant

2017 Board changes

In July I reported that Rusty Vineyard joined the Foundation Board. Since that time Rusty took a new job out of the state and therefore submitted his resignation.

Additionally, due to busy schedules and their lack of availability to participate in Foundation activities, we received resignations from Arlein Anderson and Dr. Krista Summers. A list of our current board members is attached to this report for your reference.

Current activities

Tough Enough to Wear Pink (Sunday, Sept. 3) – Merchandise and raffle sales will begin at KVH on Thursday, August 17 and will continue through Tuesday, August 29. Sunday, August 3 will be TETWP day at the Ellensburg Rodeo. If you are interested in supporting this year's TETWP efforts and can't make it to KVH or the rodeo during our sales, feel free to contact me at 933-8669 and I can get you what you need.

Cattle Baron's Champagne Brunch (Monday, Sept. 4) – Sponsored by the Ellensburg Downtown Rotary, 50% of sponsor proceeds from this event are being donated to The Foundation for the "Ouchless ER", a portion of this year's pediatric improvements campaign. Tickets may be purchased for this event through a Rotary member or at Old Mill, Fitterer's or Rodeo City Bar-B-Q.

Annual Appeal (Sept/Oct) –

Ouchless ER Open House (Thursday, September 21) – More information to come from Community Relations

Digital Mammography Open House & Women's Health Panel (October) – More information to come from Community Relations

Tough Enough to Wear Pink Merchandise and Raffle

T-shirts - \$15	Tank top - \$15
Hat - \$15	Bracelet - \$10
Paracord- \$5	Car Magnet- \$5
Awareness Pin - \$1	Bandana - \$3
Beads- \$1	
	Raffle Ticket- \$5



Respectfully submitted,

Michele Wurl

Director, The Foundation at KVH



2017 TETWP RAFFLE
TOUGH ENOUGH TO WEAR pink
Ellensburg Rodeo

Get your \$5 ticket - Choose your prize
KVH gift shop / KVH cafeteria sales
Rodeo Office until August 31

Drawing held during the Ellensburg Rodeo on Sep. 3, 2017. You need not be present to win

	Golfing for 4 at Suncadia's Tumble Creek Golf Course , with cart (Monday-Thursday, no holidays)	Donated by: 
	2 tickets to Seahawks vs. Texans October 29, 40 yard club level	
	2ft hand painted wood barn/cabin quilt from Carol's Cabin Quilts (Value \$145)	Carol's Cabin Quilts
	Sleigh Ride for 4 with Three Peaks Outfitters in Cle Elum	Three Peaks Outfitters
	Wine tasting and appetizers for 8 with Gard Vintners	GARD

Proceeds benefit the Tough Enough to Wear Pink fund at The Foundation at KVH, raising awareness and funds to fight breast cancer, early detection and treatment right here in our community.

THE FOUNDATION KVH
509 933 3024

Foundation Voting Members

Name

Connie Anderson, Retired

Livier Baldovinos, Puget Sound Energy

Bill Boyum, Dept. of Natural Resources

Brian Cullinane,

Jim Daly, Investment Broker

Andre Dickerson, Central Washington
University

Connie Dunnington, Retired

Jerry Grebb, Accountant

Susan Harrel, Lathrop, Winebauer, Harrel &
Slothower Attorney

Kathryn Houck, KVH IS Project Manager

Paul Jewell, Kittitas County Commissioner
District 1

Jim Pappas, Retired CWU Professor

Scott Rollins, State Farm Agent

Melva Schmidt, Retired KVH RN

Mary Seubert, Retired Community Volunteer

Cindy Smith, City of Ellensburg HR Director

Hartwig Vatheuer, Retired

Paula Williams, Pautzke Bait - Retired Owner

Kittitas Valley Healthcare
Finance Committee Meeting Minutes
July 25, 2017

Members Present: Liahna Armstrong, Bob Crowe, Jerry Decker, Jon Fowler, Julie Petersen, Libby Allgood

Staff Present: Kelli Goodian-Delys Director Finance

The meeting was called to order by Liahna at 7:32 am.

A motion was made to approve the Agenda as written. The motion carried.

A motion was made to approve the minutes for the June 20th Finance Committee Meeting approved as written. The motion carried.

Libby Allgood presented the financial highlights. The financial highlights are in new format to be consistent with all areas reporting the Board of Commissioners. The finance team is monitoring the contractual adjustments, bad debt, charity care, and other administrative adjustments.

Julie Petersen reminded the committee that the reported metrics are being reviewed in response to the shift in services to outpatient centric. Currently reported metrics are inpatient centric and we are looking for more effective metrics to report current KVH operations. The shift to outpatient services is recognized as an industry change.

Libby presented a capital request for the replacement of our current Blood Bank Testing Instrument in the hospital laboratory. Jerry Decker made a motion to recommend approval to the Board of Commissioners. Bob Crowe second the motion. The motion was approved.

A surplus resolution for the Ortho Provue Blood Bank System was presented. The asset is fully depreciated. Bob Crowe made a motion to recommend the surplus resolution for Board approval. Jerry Decker second the motion. The motion was approved.

The committee had open discussion regarding the Debt Resolution that will be presented to the Board of Commissioners on June 27th for motion.

There being no further business the meeting was adjourned at 8:22 am.

**DEPARTMENT OF FISH AND WILDLIFE
2016 FOR 2017 PILT DISBURSEMENT**

ACRES		175,441.78			
TAXING DISTRICT NAME	TOTAL CALCULATED PILT PER OS VALUE *	TOTAL TO BE BILLED PER REVISED LEGISLATION**	2017 FOR 2018	INCREASE PER DISTRICT	
	\$623,089.51	\$143,974.00	\$382,638.00		
County General	\$128,282.13	\$29,641.47	\$78,777.79	\$49,136.32	
Road Dist	\$85,045.32	\$19,650.97	\$52,226.16	\$32,575.19	
Flood Dist	\$6,293.77	\$1,454.27	\$3,864.99	\$2,410.72	
SCHOOL DISTRICTS					
Damman 7 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Damman M&O	\$6,789.75	\$1,568.87	\$4,169.57	\$2,600.70	
Easton 28 Bond	\$2,337.04	\$540.01	\$1,435.17	\$895.17	
Easton 28 M&O	\$3,355.07	\$775.24	\$2,060.34	\$1,285.10	
Naches 3J Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Naches 3J M&O	\$0.00	\$0.00	\$0.00	\$0.00	
Selah 119 Bond	\$1,786.47	\$412.79	\$1,097.07	\$684.28	
Selah 119 M&O	\$5,561.58	\$1,285.09	\$3,415.36	\$2,130.27	
Thorp 400 Bond	\$3,619.88	\$836.43	\$2,222.96	\$1,386.53	
Thorp 400 M&O	\$44,894.16	\$10,373.46	\$27,569.41	\$17,195.96	
Eburg 401 Bond	\$64,769.16	\$14,965.87	\$39,774.61	\$24,808.74	
Eburg 401 CP Tech	\$9,513.85	\$2,198.31	\$5,842.44	\$3,644.12	
Eburg 401 M&O	\$111,781.68	\$25,828.80	\$68,644.90	\$42,816.10	
Kittitas 403 Bond	\$32,562.87	\$7,524.13	\$19,996.79	\$12,472.66	
Kittitas 403 M&O	\$75,203.29	\$17,376.83	\$46,182.19	\$28,805.36	
CE-R 404 Bond	\$315.38	\$72.87	\$193.68	\$120.80	
CE-R 404 M&O	\$346.28	\$80.01	\$212.65	\$132.64	
CEMETERY DISTRICT					
Cemetery 1	\$957.41	\$221.22	\$587.94	\$366.72	
CITIES					
Cle Elum	\$0.00	\$0.00	\$0.00	\$0.00	
Eburg	\$0.00	\$0.00	\$0.00	\$0.00	
Kittitas	\$0.00	\$0.00	\$0.00	\$0.00	
Roslyn	\$0.00	\$0.00	\$0.00	\$0.00	
So Cle Elum	\$0.00	\$0.00	\$0.00	\$0.00	
FIRE DISTRICTS					
Fire District 1 Regular	\$1,709.42	\$394.99	\$1,049.75	\$654.77	
Fire District 1 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 2 Regular	\$808.32	\$186.77	\$496.39	\$309.61	
Fire District 2 Bond	\$97.65	\$22.56	\$59.96	\$37.40	
Fire District 3 Regular	\$610.69	\$141.11	\$375.02	\$233.91	
Fire District 3 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 4 Regular	\$1,697.18	\$392.16	\$1,042.23	\$650.07	
Fire District 4 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 6 Regular	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 6 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 7 Regular	\$318.94	\$73.70	\$195.86	\$122.16	
Fire District 7 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 8 Regular	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 8 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 51 Regular	\$0.00	\$0.00	\$0.00	\$0.00	
Fire District 51 Bond	\$0.00	\$0.00	\$0.00	\$0.00	
HOSPITAL DISTRICTS					
Hospital 1	\$200.38	\$46.30	\$123.05	\$76.75	
Hospital 1 BOND	\$32,319.80	\$7,467.96	\$19,847.52	\$12,379.56	
Hospital 2	\$965.27	\$223.04	\$592.77	\$369.73	
Hospital 2 EMS	\$946.78	\$218.77	\$581.42	\$362.65	
SEWER DISTRICT					
Sewer 1	sewer not levying at this time				
WATER DISTRICTS					
2	water not levying at this time				
3	water not levying at this time				
4	water not levying at this time				
5	water not levying at this time				
6	water not levying at this time				
7	water not levying at this time				
Proration Factor	\$0.23		0.61		
*TOTAL CALCULATED	\$623,089.51			INCREASE	
TOTAL TO BE BILLED PER REVISED LEGISLATION		\$143,974.00	\$382,638.00	\$238,664.00	

RCW 77.12.203: In lieu payments authorized — Procedure — Game lands defined.

**WA Legislature amended RCW 77.12.203 to authorize reducing PILT payments from the amounts calculated from open space values for all applicable counties (see statute) based on state budget which are on a biennium basis which represents July 1 through June 30 of the following year.
1st Revision: 2011-2013 fiscal biennium (law affects 11 for 12 tax & 12 for 13 tax)
2nd Revision: 2013-2015 fiscal biennia (law affects 13 for 14 tax & 14 for 15 tax)
3rd Revision: 2015-2017 fiscal biennia (law affects 15 for 16 tax & 16 for 17 tax)
MONITOR 17 for 18 . Paul Jewel is working on this issue so ask him if any questions
refer to statute each year to insure no changes



QUALITY IMPROVEMENT REPORT – Mandee Olsen, BSN RN CPHQ

August 2017

Washington State Cancer Registry

Representative from the Department of Health have reached out to see how they can help rural healthcare organizations begin reporting to the state cancer registry. The registry allows for identification of gaps in cancer care at both the individual and system level. Annually the state data is reported nationally to the CDC. Although a WAC since 2001, rural providers were not penalized for not reporting because of the resource burden to complete an entire abstraction. Three years ago, the Department of Health set out to develop a system that would reduce some of the burden; that system is now complete and is called WebPlus. Web Plus is a web-based platform where rurals can report minimal information on patients with a diagnosis of cancer, and the state would perform the remainder of a full abstraction of care. Although the priority cases to report are initial diagnosis of cancer, the state is requesting we submit patient information on every patient encounter with a diagnosis of cancer, including outpatient lab and imaging, the emergency department and hospice. Quality is working with HIM and IT to find current data pulling sources and assess the time and resources needed to begin reporting, and will continue working with the DOH to help complete this important work.

Including Medical Staff in Quality

At the insight of Dr. Martin, it was brought to our attention that we were not including medical staff leadership in regularly scheduled Quality meetings and gembas. Since then, medical staff leaders have been invited to join our individual department Quality Improvement Plan gembas conducted quarterly and the Quality Data Share meeting. We have been fortunate to have the participation of Drs. Solberg, Martin and Hibbs at the most recent Data Share and their input greatly enriched the discussions. We are looking forward to more opportunities through the end of the year to include medical staff in quality improvement, and bring Quality in as a resource to the departments.



Quality Improvement Dashboard Summary

Summary of Areas Meeting Goal or Showing Improvement:

- Median Time to Pain Management potentially to be retired in 2018 by CMS
- Stroke Dysphagia Screening 100% for 7 consecutive months.
- Our Infection Preventionist, Julie Hiersche, RN CIC, has begun a new initiative to improve the quality of our Hand Hygiene adherence and data. "Soaper Heros" will be selected for a three month rotation as a hand hygiene observer. Rotating this role from staff to staff increases awareness by all and keeps data collection from getting stale. We expect that as we have new staff trained in measurement, we may see some changes in our data. Please thank Housekeeping and House Supervisor staff for the years of data collection they have provided!
- Zero Adverse Medication Events.
- Unplanned Hospital Care, Improvement in Pain Interfering with Activity and Improvement in Dyspnea with Activity all improving.

Summary of Improvement Opportunities:

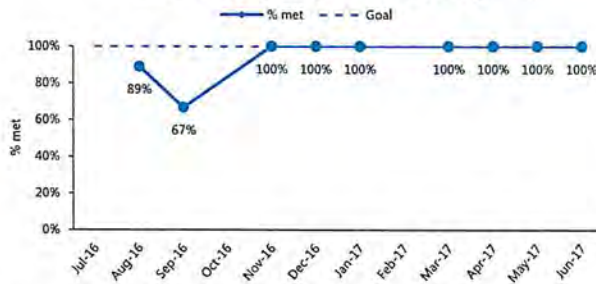
- We now have two months of Total Joint SSI Prevention data. Current findings show improvement opportunities in changing gloves after 90 minutes, changing gloves after cement, covering hair and jewelry, and wearing long sleeves.
- We have identified opportunities where our computer set-up in rooms is leading to sharps inadvertently falling where they would not be noticed, hence a risk for sharps exposure. Infection Prevention/Employee Health is partnering with nursing, materials and IT to see how we can remove this opportunity for staff harm.
- Restraints rate due to 2 hours of missed charting. Both of these instances are around shift change. Jeff is working with staff and informatics to develop reliability of documentation at these critical moments.
- We now have the Pain Medication Reassessment measure on the dashboard. At this first review, we still have questions about the different data collection and notification methods. Quality and nursing will be doing additional chart audits to find if there are improvement opportunities.
- Hospice Timely Initiation of Care percentage decreased. The CMS target for timely initiation is 48 hours, KVH Hospice has set an internal goal that is in line with what we want patients and families to experience.
- Patient Satisfaction below target in all areas. Most recent improvement actions include education sessions with patient satisfaction survey vendors for our leaders in the hospital and clinics.
- Highest month of Care and Service Reports of concern.

QI Council

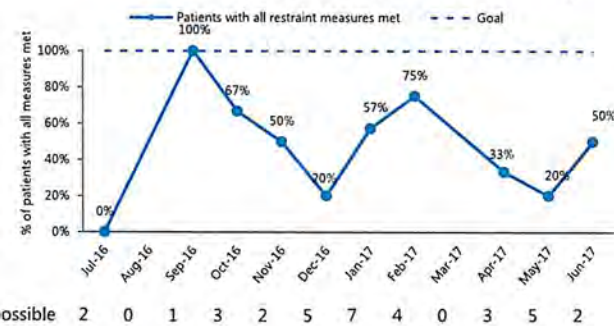
Median Time to Pain Management (Long Bone Fracture) ↓



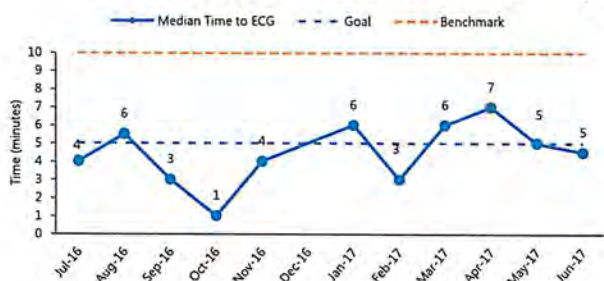
Stroke Dysphagia Screening ↑



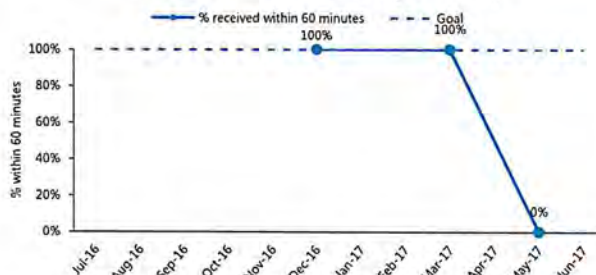
Restraints ↑



Median Time to ECG (Chest Pain) ↓



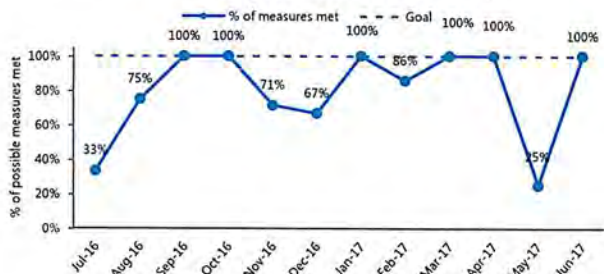
Stroke IV Thrombolytics ↑



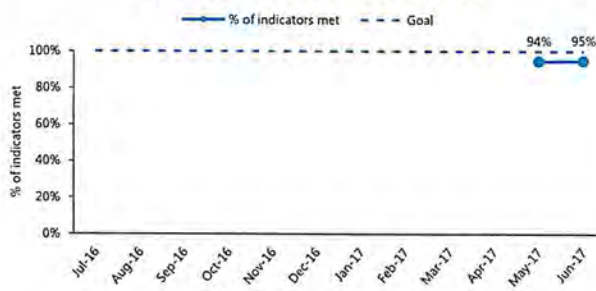
Falls ↓



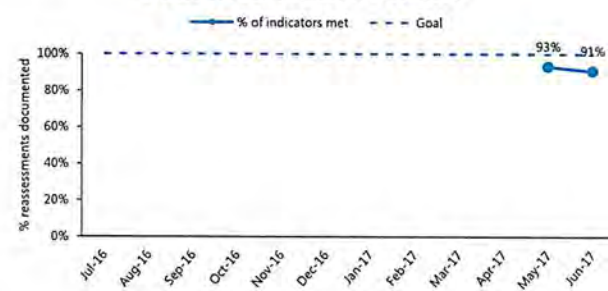
Sepsis Bundle ↑



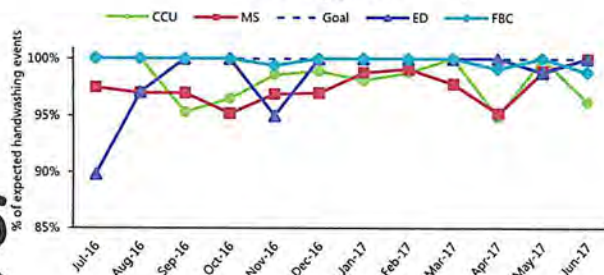
Total Joint SSI Prevention



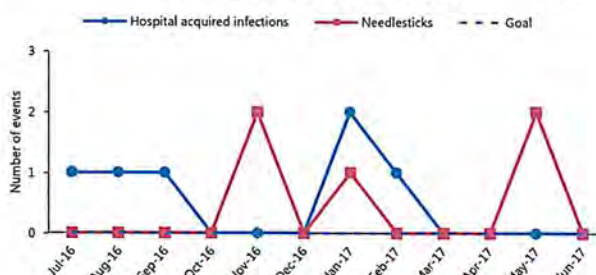
Pain Med Reassessment



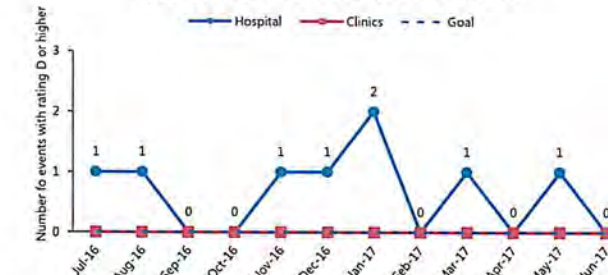
Hand Hygiene ↑



HAIs and Needlesticks ↓

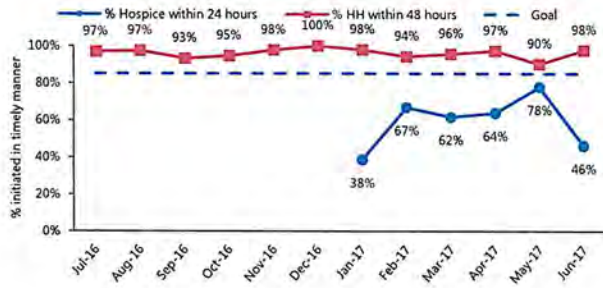


Adverse Medication Events

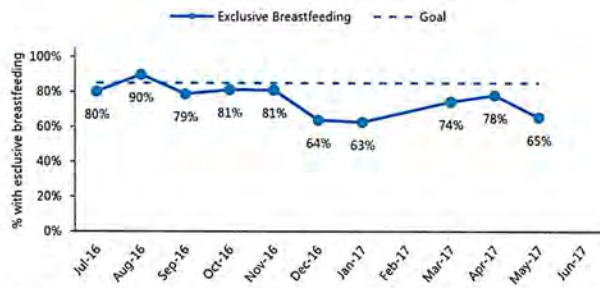


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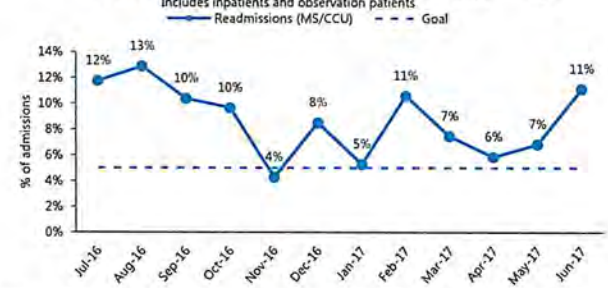
Timely Initiation of Care ↑



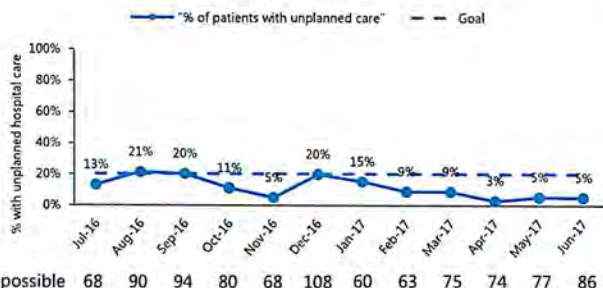
Exclusive Breastfeeding ↑



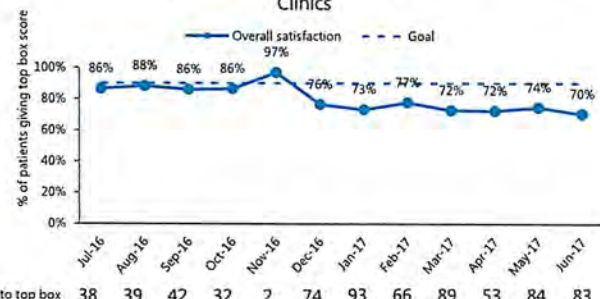
Readmissions Within 30 Days ↓



Unplanned Hospital Care (Home Health) ↓



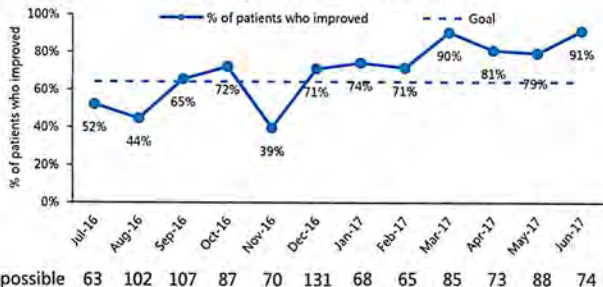
Patient satisfaction Clinics ↑



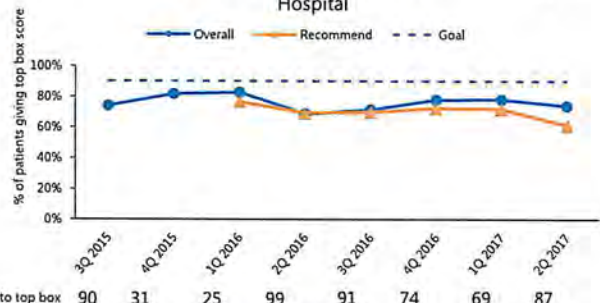
Care and Service Reports ↓



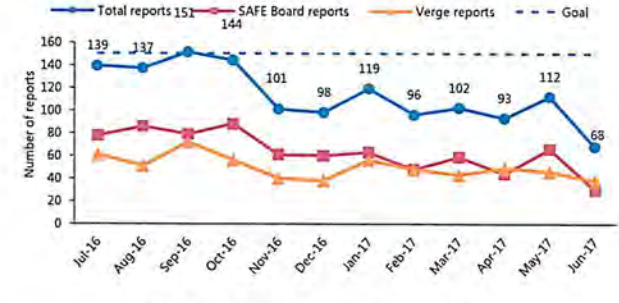
Improvement in Pain Interfering with Activity (Home Health) ↑



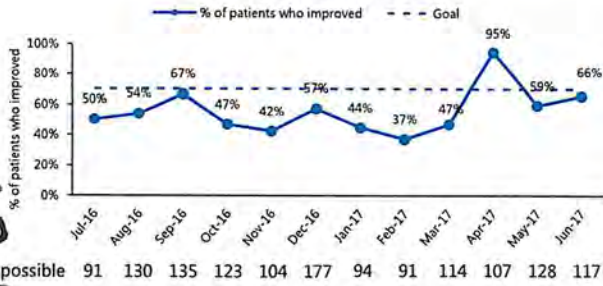
Patient satisfaction Hospital ↑



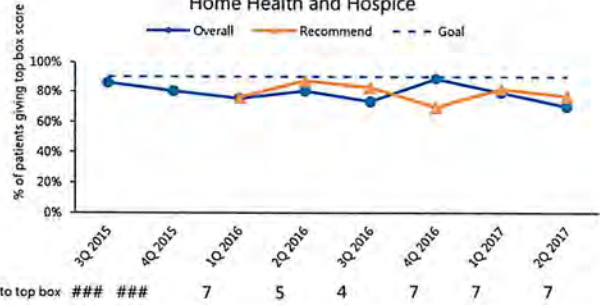
Employee Reports ↑



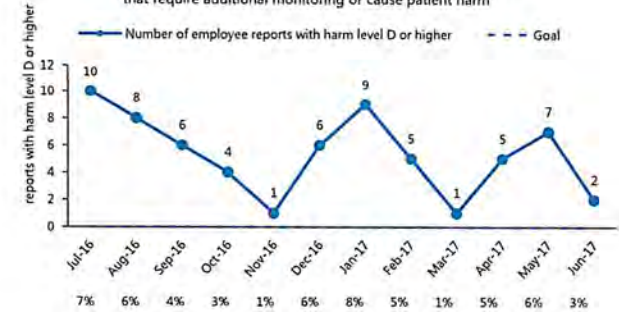
Improvement in Dyspnea with Activity (Home Health) ↑



Patient satisfaction Home Health and Hospice ↑



Reports of occurrences that require additional monitoring or cause patient harm ↓



126

CHIEF EXECUTIVE REPORT – Julie Petersen

August 2017

All Strategic Planning All the Time: Between employee, provider and public roll outs, it feels like August has been entirely consumed with finalizing the strategic plan and designing the process for developing a business plan from the strategic initiatives that have been identified. I appreciate the input from the 60+ employees and many providers and members of the public who have contributed to the original draft document. The KVH logoed sling bags were very well received and I have seen a number of them around town.

Run For The Brave: KVH will sponsor a team for the second year in a row. The event is scheduled for September 10th.

Eclipse Glasses: I want to thank Amy Diaz for this brainstorm. KVH distributed 3,000 pair of eclipse glasses in about two days. 6,000 eyes will be protected during this once in a life time event.

Congratulations to Community Health of Central Washington: CHCW marked ten years of service with a wonderful and well attended open house. I learned that the clinic originally opened in an old KVH facility before moving to the current Mountain View location. CHCW and the residency program are great partners in service to our communities.

Healthcare Cost Drivers: At the invitation of the Washington State Hospital Association, I had the opportunity to meet with state legislators and congressional staff to discuss the cost drivers in healthcare. As the rural representative, I advocated for more flexibility to use our existing labor force. Labor expense makes up between 65% and 70% of our rural costs. The other pressing issue is stabilization of pharmaceutical cost and the volatile drug supply chain. The University of Washington as well as Providence Health System were represented at the meeting.

Learning Opportunity – Employee Leaves: On September 18th we will be collaborating with WSNA to host a lunch and learn for staff, stewards, HR and leadership to learn more about the confusing topic of employee leaves. There are several different kinds of federal and state leave options available to employees not to mention the time off covered by our collective bargaining agreements and policies. It is a complicated topic that is frequently updated by litigation and interpretations. We acknowledge some historic inconsistencies in how we manage and message these requirements. KVH and WSNA have invited an attorney to refresh and update our understanding of how the various types of leave apply, overlap and contradict one another. Hopefully a good conversation and better understanding will flow from the meeting.

Radio Hill Annex Update: Mike Severns continues his work with NAC Architecture to prepare for the city planning and conditional use permitting process. We will (or have) submitted a pre-planning meeting application and been invited to discuss our plans with the City of Ellensburg. In the meantime we have installed underground sprinklers and tested the fire alarm/suppression system. Prestige continues to use the facility periodically for training purposes.

Occupational Medicine: Still on track for a soft opening September 11.

Ellensburg Downtown Association: I have accepted a position on the Ellensburg Downtown Association (EDA) Board. I look forward to learning more about how the EDA, City and various other civic groups collaborate in the community.

Provider Recruiting: I want to echo Dr. Solberg's enthusiasm for the efforts that KVH and Mitch Engel are putting towards recruiting for access. In addition to the aforementioned, we have enthusiastic cooperation from providers and staff. Last year we assisted Ellensburg Family Medicine to recruit Dr. Michael Druschel who began his practice this month. Ellensburg is becoming a destination for highly qualified healthcare providers.

Cerner: Month Four of our Cerner roll out

EVENTS:

- **System Review**
CPM (Cerner Practice Management) and Registration – 9/12 – 9/13
- **Learning Adoption Workshop – 8/2** - A large Team Building Exercise – Providing coaching on helping our organization adopt changes
This was a very successful event and oriented all of us toward training.
- **Legacy Data Summit – 8/9**
Based on feedback, a highly successful event laying the foundation for the work ahead. The framework was explained, and the reasons behind it, as well as the three-phased approach ahead:
 - Phase I – Electronic Load into Cerner
 - Phase II – Scope of manual extraction
 - Phase III – Legacy Data Repository.
- **Future State Workflow – 8/15**
This was an ALL-DAY System Review-like event.
- **Provider Super User Training – 8/15 – 8/17**
Going on now. Initial feedback is very positive. Tia is doing a great job.

MAJOR ONGOING ISSUES (not a complete list)

- **GNP (Geriatric Nurse Practitioners) - Cerner adoption**
Jack, Mark, and Kristin are collaborating on this from an IT, Cerner Implementation, and Change Management perspective.
- **Workflow Change efforts**
There are several ongoing efforts, including:
 - The use of ABN's - **Ongoing**
 - GNP Adoption (see above) - **Ongoing**
 - Lab Scheduling – **Resolved**
 - Registering new patients – **Resolved.**

HR Dashboard

Measurement		17-Jul	17-Jun	May-17	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16	Nov-16	Oct-16	Sep-16	Aug-16	Jul-16	
Employee Population	Available workforce	Rolling 12 Variance													
	Full-time	21	333	328	326	328	322	331	329	330	332	332	326	325	312
	Part-time	-9	151	157	170	173	174	177	176	165	170	174	167	164	160
	Per Diem	4	89	89	84	79	77	79	79	86	89	92	89	90	85
	Total Employees	16	573	574	580	580	576	587	584	581	591	598	582	579	557
Turnover	Quality of recruitment and retention	Rolling 12 Total													
	Voluntary (excludes pd terms, includes reduction of FTE to pd)	91	12	11	12	6	9	2	2	11	7	4	6	5	4
	Involuntary (excludes pd terms)	22	0	1	0	1	4	1	2	5	1	3	1	1	2
	Overall Percentage (excludes pd terms, includes reduction of FTE to pd)	19.51%	2.09%	2.09%	2.07%	1.21%	2.26%	0.51%	0.68%	2.75%	1.35%	1.17%	1.20%	1.04%	1.08%
Total All Employees Separated	118	11	14	11	7	12	4	6	14	11	9	7	5	7	
General Recruitment	Efficiency of sourcing, selecting and placing talent	Rolling 12 Total													
	Open Postings	242	16	35	17	18	13	12	15	23	17	16	15	17	28
	Unique Applications Received	2178	137	148	129	77	139	66	163	198	232	262	200	215	212
	Employees Hired	134	13	7	11	6	4	6	10	8	4	6	23	9	27
	Time to Fill (Median)	-	48.5	46	52	52	39	39	29.5	Median tracked beginning 02/2017					
	Time to Fill (Average)	-	54.5	49.76	54.4	55	48	46.8	59.4	59.7	59.4	50.2	51.5	52.2	44.5
Provider Recruitment	Efficiency of sourcing, selecting and placing talent	Rolling 12 Total													
	Open Postings	152	12	11	11	13	13	10	10	9	13	13	13	12	12
	Current Slots	-	14	13	13	14	14	14	12	11	Data tracked beginning 12/2016				
	Unique Applications Received	67	3	4	4	10	3	5	11	6	12	3	1	3	5
	Candidates Interviewed	34	5	3	3	5	2	2	3	1	4	5	1	3	2
	Employees Hired	14	0	0	1	0	1	2	0	0	0	1	2	0	7
	Time to Fill (Average)	70.83	0	0	293	0	195	0	0	0	0	92.3	128	Data tracked beginning 09/16	
Benefits	Financial impact of adding talent	Rolling 12 Total													
	Workers Comp Claims	36	6	1	3	2	1	1	4	5	3	4	2	1	3
	Time Loss Days	42	18	0	2	0	0	0	10	9	18	2	1	0	0
	Employee Population on Medical Benefits (Average)	65.5%	65.4%	66.2%	64.5%	65.4%	66.8%	65.5%	65%	67%	64%	Data tracked beginning 11/16			
	Total cost in benefits per FTE - welfare (Average)	\$ 853.00	\$ 918.37	\$ 769.37	\$ 1,130.34	\$ 807.65	\$ 857.47	\$ 634.79	Data tracked beginning 2/17						
Total cost in benefits per FTE - total (Average)	\$ 1,848.46	\$ 1,825.61	\$ 1,972.79	\$ 2,117.56	\$ 1,786.15	\$ 1,840.02	\$ 1,548.62	Data tracked beginning 2/17							
Evaluations	Providing timely feedback to employee	Total Percentage													
	Percentage of employees with completed annual evaluation	83.3%	83.3%	88.2%	92.6%	89.5%	95.8%	96.7%	97.4%	97.6%	94.6%	98.1%	97.6%	98.3%	53.4%





Washington State
Hospital Association

Legislative Summary and Policy Preview

AUGUST 2017



14a

TABLE OF CONTENTS



- 1 Welcome Letter
- 3 WSHA Policy Priorities
 - 4 Table: State Legislative Priorities
 - 8 Other Bills of Concern
- 9 WSHA Budget Priorities
 - 10 Table: Operating Budget Summary
 - 12 Other Health Care Budget Items
 - 12 Capital Budget Requests
- 13 Association of Washington Public Hospital Districts
- 14 Policy Preview: Continued Challenges
- 16 What it Takes to Advocate: Relationships, Input and the PAC
- 17 Thank You for Testifying in Olympia

WSHA members,

Although it was a long, long, long legislative session — with a new operating budget passing only hours prior to the start of the new fiscal year — it was a successful one for hospitals and health care. The success of this work, so critical to our communities, is thanks to you and your staff working hand-in-hand with WSHA staff. We are deeply thankful for the time you have spent shaping our agenda, giving feedback, weighing in with legislators and coming to Olympia to testify.

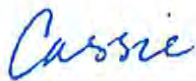
If you only remember four things about the 2017 legislative session, let them be these:

- 1) **The legislature has continued to rebuild our mental health care system.** Additional funding was added to key community services and the legislature opened the option of offering long-term acute psychiatric care in communities — an alternative to the state’s mental health hospitals. Also, new investments and changes were made to help complex patients who are ready for discharge from hospitals find services in the community.
- 2) **There were no cuts to hospital-based clinics.** Although these cuts were in the governor’s budget, neither the state Senate nor the House included them. These clinics, which provide primary and specialty care, are an important part of the health care system, and large cuts would likely lead to the loss of access.
- 3) **We strengthened nurse-staffing committees.** The committees allow for a collaborative — rather than a regulated — process of establishing appropriate staffing levels. These committees are equal parts management and nursing staff, and they work together to develop staffing plans that are based on the acuity of the patients, and not just a formula.
- 4) **The hospital safety net assessment will continue.** The assessment provides needed funds to hospitals that have a heavy load of Medicaid patients, while ensuring stability for hospitals with a different payer mix.

These aren’t our only accomplishments, but they are the big wins of this year’s budget-writing session.

Thank you for your hard work to make this session another great one for health care in our state. It is our pleasure to represent you in Olympia.

Sincerely,



Cassie Sauer
President & CEO



Chris Bandoli
Senior Vice President for
Government Affairs



Want more?

WSHA's website has issue briefs for all our major issues, as well as newsletter articles for the entire legislative session.

Visit www.wsha.org/legislative for more details and context about our priority bills.

14d

WSHA Policy Priorities

This was another successful year for WSHA's priority policy bills. WSHA's top priority was improving mental health care in our state, and we worked closely with members to identify legislation that was needed to improve quality and increase access to care for Washington residents.

Our progress on major policy issues for this session were:

Mental Health: We supported budget items and laws that will allow:

- Currently licensed hospitals to add psychiatric beds without going through the Certificate of Need process;
- An increase to Medicaid rates for psychiatric patients, prioritizing a fix to rates for hospitals that have opened new beds since 2014;
- Patients' care coordinators to better share psychiatric information (while continuing to protect patient privacy); and
- Community hospitals to provide long-term psychiatric care so patients have options besides Eastern and Western State.

Opioids: We improved the prescription monitoring program by:

- Creating a system to notify prescribers and primary care providers when one of their patients has a drug overdose;
- Enabling the data to be used to notify hospitals and prescribers of their opioid prescribing patterns; and
- Enabling the data to be used by WSHA to support state-wide quality improvement.

Hospital and health system financial stability is necessary to ensure our communities always have the access to care they need, now and long into the future. We successfully worked to:

- Re-enact the hospital safety net assessment program, which supplements Medicaid payment for safety net hospitals and provides additional federal revenue to support state health care programs. Hospitals and the state share equally in the benefits;



- Pass a bill clarifying that full time emergency medical technicians (EMTs), including those employed by hospital districts, are not required to join the Law Enforcement Officers' and Fire Fighters' (LEOFF) retirement program, saving significant dollars for hospital districts that employ EMTs; and
- Provide a new payment model for vulnerable critical access hospitals.






Nurse staffing is an important component to facility operations and patient care: We successfully worked to:

- Enhance requirements for nurse staffing committees to consider hospital finances and supporting personnel when developing staffing plans;
- Clarify the authority of the CEO in modifying or developing alternative staffing plans; and
- Ensure a reasonable regulatory environment for hospitals with the expansion of the State Department of Health's enforcement role over staffing plans.

TABLE: STATE LEGISLATIVE PRIORITIES







Every fall, WSHA members and staff convene to identify the issues of top importance in Olympia. Although new opportunities always arise, we try to be as proactive as possible on the part of our members. We are also transparent in our agenda and publish our agenda online.

This table reflects both the agenda items we established in the fall and other critical issues that emerged during the legislative session. Here's how we did:

WSHA GOAL	OUTCOME
<p>Maintain hospital system financial stability.</p>	
<p>Re-enact the Hospital Safety Net Assessment Program. This program uses an assessment on hospitals to produce additional revenue for safety net hospitals and for state health care programs. Hospitals and the state share equally in the benefits. <i>(SB 5815, supported and passed)</i></p>	
<p>Clarify that full time emergency medical technicians are not required to join the Law Enforcement Officers' and Fire Fighters' (LEOFF) retirement program. Under the state's interpretation of current law, full time emergency medical technicians (EMTs), including those employed by hospital districts, were required to join the Law Enforcement Officers' and Fire Fighters' (LEOFF) retirement program. The state's interpretation would have created significant financial hardships for hospital districts. This bill clarified the law and saved significant dollars for hospital districts that employ EMTs. <i>(HB 2202, supported and passed)</i></p>	
<p>Protect hospitals from bearing the brunt of balance billing. While not on the original agenda, WSHA worked hard to ensure hospitals weren't penalized for gaps in insurer networks. We are working with other stakeholders to develop a longer-term solution to the question of out-of-network payments. <i>(HB 1870, supported but not passed)</i></p>	
<p>Protect options to affiliate. Hospitals and health systems are affiliating to preserve and expand health services in communities. This bill threatened all provider affiliations by requiring onerous and unclear notice be submitted to the state before a "material change" to operations or governance structures. <i>(HB 1811, opposed and not passed)</i></p>	
<p>Allow for physician non-competes. The original bill would have limited the use of noncompetition agreements, making it risky to invest in hiring physicians. WSHA opposed the original bill, but worked to develop a better approach. <i>(HB 1967, final position: neutral, not passed)</i></p>	





14f

WSHA GOAL	OUTCOME
Improve the mental health system.	
Revise the state’s mental health information laws. This law allows mental health information to be shared with more care team members to ensure a fuller picture of the patient’s care needs. The bill also maintains privacy and confidentiality protections. <i>(SB 5435 / HB 1413, supported and passed)</i>	
Allow expansion for new psychiatric beds. This law renews the exemption from certificate of need for additional beds at currently licensed hospitals until June 2019, making it easier to add mental health treatment capacity. <i>(HB 1547, supported and passed)</i>	
Allow alternatives to Eastern and Western State hospitals. Allow community hospitals to provide long-term psychiatric care for patients on 90/180 day treatment orders. This will expand capacity and allow patients to be treated closer to home at a time when Western and Eastern State hospitals are shifting their focus to serving forensic patients. The legislature did not pass a policy bill, but instead added dollars and the willingness to contract for services through the budget. See budget note.	
Protect mental health providers from onerous new duty-to-warn requirements and associated liability. This bill would have clarified the requirements and liability for providers to notify the public about patients in psychiatric treatment. The need for this bill arose from the 2016 ruling by the state Supreme Court in <i>Volk v. DeMeerleer</i> . WSHA strongly supported the bill (HB 1810/SB 5800), which did not pass, but a study of the court’s ruling was funded. The study results will allow for a re-examination of the issue next year.	MIXED OUTCOME
Provide tools to combat opioid overuse by enhancing the prescription monitoring program.	
Ensure quality improvement in prescribing practices. Allows providers to be notified via the prescription monitoring program when one of their patients experiences an overdose. Also uses prescription monitoring data to give regular reports to facilities and provider groups on the prescribing patterns of their staff who prescribe opioids, fostering responsible prescribing practices. <i>(HB 1427, supported and passed)</i>	
Support innovative care models.	
Expand telemedicine use. Makes the definition of “home” more flexible in the state’s telemedicine law, allowing patients to be at home, a relative’s house, or other setting that the patient chooses. <i>(SB 5436, supported and passed)</i>	
Provide a new payment model for vulnerable critical access hospitals. Revise payment to support critical services, which include emergency and primary care. <i>(HB 1520, supported and passed)</i>	

continued next page

TABLE: STATE LEGISLATIVE PRIORITIES

WSHA GOAL	OUTCOME
Support innovative care models. <i>(Continued from previous page)</i>	
Allow easier completion of medical advance directives. This bill would have made it easier for patients to express their wishes by allowing medical advance directives to be witnessed by notaries, and allowing witnesses to the directives to verify the identity of the person completing the directive. <i>(HB 1640 / SB 5478, supported, not passed)</i>	✗
Support more timely placements for hospital patients who need long term-care. Some hospital patients are “stuck” in the hospital because they cannot get into a skilled nursing facility. This is especially true for Medicaid patients. This bill would have created incentives for Medicaid plans to find placements for these patients. WSHA strongly supported the bill (HB 1854), which did not pass, but a study was funded.	MIXED OUTCOME
Reduce administrative burdens on practitioners by enacting the physician compact. Established the physician licensure compact in Washington State and an expedited process for physicians to be licensed in multiple states. <i>(HB 1337, supported and passed)</i>	✓
Preserve hospitals’ ability to deliver services to patients safely and efficiently. WSHA supported HB 1714, which builds off existing nurse staffing legislation to enhance the requirements of the staffing committee in developing staffing plans while clarifying the role of the CEO in modifying or developing an alternative staffing plan. The new law requires that hospitals submit staffing plans to DOH; DOH has expanded enforcement oversight and fining capabilities for non-compliance. <i>(HB 1714, supported and passed)</i>	✓
WSHA also opposed a bill that would have required uninterrupted meal and rest breaks, placed prohibitions on the use of prescheduled on-call and created inflexible staffing requirements. <i>(HB 1715, opposed and not passed)</i>	✓
Prevent expansion of scope for ambulatory surgery centers. Ambulatory surgery centers should not be allowed to see patients with anticipated stays longer than 24 hours. These centers are not required to meet hospital regulations for quality and safety. In addition, some centers cherry pick by targeting the healthier, better insured patients, leaving the complex and underfunded patients at the local hospitals. <i>(SB 5593, opposed and not passed)</i>	✓
Clarify legal framework to aid homeless youth receiving medical care. This bill clarifies existing law that allows school employees to consent to outpatient care for homeless youth. The bill adds liability protection for providers, schools and school districts. <i>(HB 1641, supported and passed)</i>	✓
Expand the Worker’s Compensation Trust Eligibility. Washington Hospital Services supports legislation to expand the types of health care facilities that can participate in the worker’s compensation trust to include large specialty clinics and kidney centers. This will lower the costs of program participation. WSHA decided not to pursue this legislation this year, but we hope to in the future.	✗

WSHA GOAL	OUTCOME
<p>Allow public hospital districts to participate in self-insurance risk pools with other hospitals. Health care organizations should be allowed to participate in risk pools regardless of their ownership. This legislation creates a new chapter of law that allows public hospitals to participate with non-governmental hospitals in the state’s liability pool program. <i>(SB 5581, supported and passed)</i></p>	
<p>Reduce administrative burdens. The bill in its original form would have required burdensome oral and written notices regarding charity care availability in an unspecified number of languages. The final version of the bill required written notice on billing statements in two languages. <i>(HB 1359 / SB 5231, final position: neutral, not passed)</i></p>	



Other Bills of Concern

WSHA’s advocacy team tracks many health care bills to ensure that any new legislation supports access to high-quality care. Here are some of the other bills that emerged during session that we worked on with members and partners.

	OUTCOME
Paid family leave. This bill creates a new state-administered paid family leave program. Premium collection from employers and employees begins January 1, 2019. Benefits will begin to be payable on January 1, 2020. <i>(SB 5975, neutral and passed)</i>	✓
Protecting patient information. This law protects “nonpublic personal health information” provided to the OIC from further disclosure. <i>(HB 1043, supported and passed)</i>	✓
Sexual assault kits. This law expands on work to track and investigate sexual assault, including funding for law enforcement training and investigations of previously unsubmitted sexual assault forensic evidence kits. <i>(HB 1109, neutral and passed)</i>	✓
Insurance pool. Extend expiration date of the Washington State health insurance pool. <i>(HB 1338, supported and passed)</i>	✓
Prescription restrictions. This bill would have restricted the ability of providers to prescribe opioid drugs, potentially increasing the suffering of severely ill patients. <i>(HB 1339, opposed and not passed)</i>	✓
Sharing patient information with patient advocates. This amends current law to allow health-related information to be shared with someone close to a patient under certain circumstances. WSHA worked hard to ensure the bill language aligns with HIPAA. <i>(HB 1477, supported and passed)</i>	✓
Fire inspection fees. This bill would have removed funding for hospital fire and life safety inspections and could have resulted in interruption of inspections necessary for hospital licensure. The cost of necessary inspections will be added to hospital licensure fees, and WSHA worked to ensure that additional fees are minimal and tied to actual costs of inspection. <i>(HB 1133 and HB 1915, supported, not passed, addressing in rulemaking)</i>	✓
Emergency communication plans. Requires certain state and local emergency management organizations to develop communication plans to notify local populations of emergencies, including people with limited English proficiency. <i>(SB 5046, supported and passed)</i>	✓
Blood-draw permissions. Expands who can conduct a crime-related blood draw, relieving the pressure on emergency departments. <i>(SB 5186, supported and passed / HB 1614, supported and passed)</i>	✓
Medical bill interest. Bill would have clarified interest on unpaid medical bills. <i>(SB 5456 / HB 1145, supported, not passed)</i>	✗
Telemedicine payment parity. This bill would have expanded patient access to health services through telemedicine and other technologies by requiring parity in payment for services. <i>(SB 5457, supported, not passed)</i>	✗
Emergency data reporting. This bill requires emergency departments to submit patient care information for the creation of a rapid health information network data reporting system. WSHA worked with DOH to revise the bill. <i>(SB 5514, final position: supported and passed)</i>	✓

14j

WSHA Budget Priorities

The budget was again the most difficult task for legislators this year, and the House and Senate approached the budget from very different perspectives. Although the state is still struggling with funding basic education under the state Supreme Court's mandate, there was a lot of good news for health care.

The budget highlights:

More than \$150 million in state and federal funds to improve mental health funding

Making improvements for patients in the mental health system — both in hospitals and the community health setting — has been a high priority and advocacy focus for WSHA and our members. The budget puts forward significant changes to how care is delivered for patients living with a mental illness, including:

- \$4 million for Medicaid payment for integrated behavioral health in primary care;
- \$10.9 million for a Medicaid inpatient psychiatric rate increase;
- \$18.6 million for up to 48 beds for 90/180 day commitments in community hospitals and evaluation and treatment facilities; and
- \$10.9 million for 96 beds in crisis walk-in centers for patients to get care outside of emergency departments.

No cuts to hospital-based clinics

Hospital-based clinics at off-campus locations provide a lot of primary and specialty care to the Medicaid population. The proposed \$150 million cut threatened the clinics and the patients who depend on them, and preserving those clinics was a top priority.

Continuation of the Hospital Safety Net Assessment Program

The safety net assessment is a tax on hospitals that helps draw down federal funds. It provides needed revenue to both the state general fund and the hospitals that have a high proportion of Medicaid patients. It is a complex program that needs to be reviewed and updated every



budget cycle. The assessment will provide about \$300 million in additional Medicaid payments to hospitals, and \$300 million to the state (per biennium).

No increase to the business and occupation tax

The House introduced a tax bill (HB 2186) that would have increased the business and occupation (B&O) tax on hospitals. This would have had a significant impact on hospitals' ability to provide care. Fortunately, the tax bill did not move forward and other new sources of revenue were identified.

Rural

The budget provides funding for transitional payments for the hospitals involved in the WRHAP program. It also increased Medicaid payment rates for four rural nursing homes in public hospital districts, enabling those residents to stay in their home communities.

OPERATING BUDGET SUMMARY

Here are some of the budget items that were important to WSHA, in rough order of priority. The numbers refer to the biennial (two-year) budget.

BUDGET PRIORITY	WSHA REQUEST	FINAL BUDGET
Re-enact the Hospital Safety Net Assessment Program. The state and hospitals share about equally in the benefits.	ABOUT \$300 MILLION TO BOTH STATE AND HOSPITALS	✓
Prevent Medicaid payment cuts for hospital-based outpatient clinics. Hospital-based clinics at off-campus locations provide a substantial portion of primary and specialty care to the Medicaid population. These hospital-based clinics are less expensive than other safety net clinics serving Medicaid clients and considerably less expensive to the state than ERs.	NO CUTS	✓
Allow Medicaid billing for integrated mental health in primary care. This would provide payment for on-site clinic care managers supported by off-site psychiatric specialists. This is more cost-effective than having psychiatric specialists at every location, but only works if the care managers and psychiatrists are paid for their time.	\$4 MILLION	\$4 MILLION
Improve post-discharge placement for complex patients by increasing funding to facilities willing to serve them. WSHA advocated for a \$6 million pool dedicated to helping hospitals place patients in nursing homes. Instead of creating a pool, the state increased rates for nursing homes that accept complex patients. It also provided significant funding for increases in salaries.	\$5-\$6 MILLION (WSHA APPROVED)	\$83.9 MILLION
Fund essential services in small rural hospitals as they transition to new value-based payment models. About a dozen rural hospitals with poor financial outlooks are struggling to preserve essential services needed in their communities: emergency room, primary and long-term care. This proposal would help keep the emergency room open and provide additional support for primary care as WRHAP hospitals transition to an alternative payment methodology.	\$4 MILLION	\$2.1 MILLION
Fund nursing home care in four small rural hospitals. This budget proviso protects rural nursing homes from rate reductions for three years. The savings to those nursing homes will be approximately \$400,000.	\$400,000	FULLY FUNDED
Additional education slots and clinical training for psychiatric advanced registered nurse practitioners. This proposal provides funds to support additional faculty hires for educating and training psychiatric ARNPs and provides funds to preceptors to continue their training.	\$5 MILLION	✗

BUDGET PRIORITY	WSHA REQUEST	FINAL BUDGET
Improve the reporting capabilities of the prescription monitoring program. The budget funds opioid prescribing reports to hospitals, clinics and providers, as well as funding for a program to notify a patient’s prescriber and primary care provider when a patient experiences an overdose event.	\$800,000	\$1.2 MILLION
Depression screening and treatment for adolescents enrolled in Apple-Health to help ensure early detection and treatment. Final funding includes screening for postpartum mothers.	\$2 MILLION	\$1.1 MILLION
Fund a statewide registry for advance directives to ensure patients’ wishes are known.	\$1 MILLION	
Ensure Medicaid patients receive well-monitored pain management services. The budget funds a pain management call center and \$3 million for nurse case managers to support medication-assisted treatment.	\$700,000	\$1.8 MILLION
Increase mental health services to communities by increasing payment rates for existing hospitals that provide inpatient psychiatric care. Funding is prioritized to first fix hospital payment rates for beds in facilities and units opened since 2014. The remaining dollars will be used for a general rate increase for Medicaid.	UP TO \$10 MILLION	\$10.9 MILLION
Increase state funding for community mental health services that prevent the need for inpatient psychiatric care. Rate increases are through the Behavioral Health Organizations.	GENERAL SUPPORT	\$37 MILLION
Increase funding targeted at discharging patients at Western and Eastern State, including other improvements for compliance and quality improvements at Western and Eastern State hospitals. WSHA hopes that the increases in funding will improve patient throughput and waitlists will decrease.	GENERAL SUPPORT	\$114 MILLION
Increase funding targeted for crisis services. Funding is for 96 beds in crisis walk-in centers for patients to get care outside of emergency departments.	GENERAL SUPPORT	\$10.9 MILLION
Increase funding targeted at long-term mental health patients. Funding for 90/180 day commitments in community hospitals and evaluation and treatment facilities (up to 48 beds).	GENERAL SUPPORT	\$18.6 MILLION
Public health funding. Increase of \$12 million in funds to local public health and Department of Health for work on controlling spread of communicable disease, chronic disease and other threats.	GENERAL SUPPORT	\$12 MILLION
Medicaid demonstration funding. These federal funds needed to be included in the budget for the state’s Medicaid demonstration project to move forward.	SUPPORT ALLOCATION OF FUNDS	

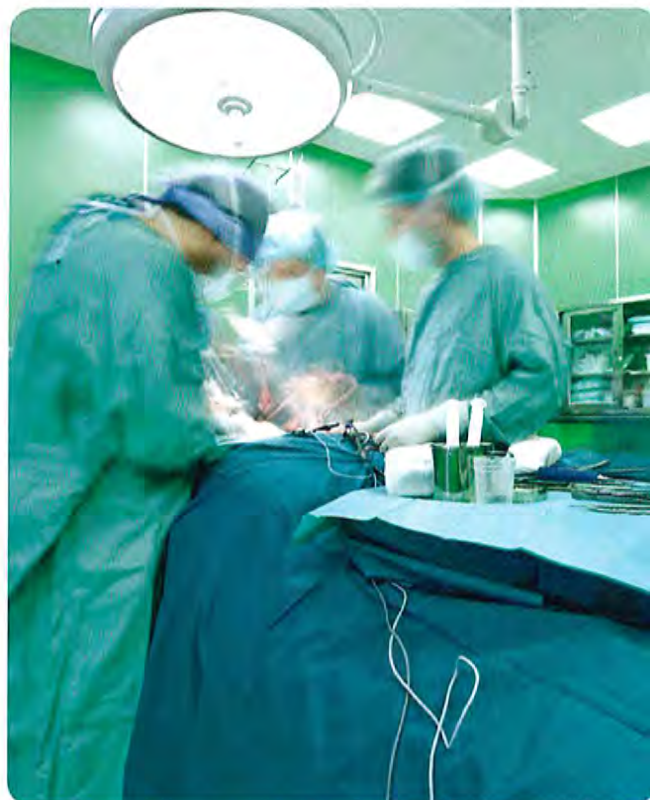
Other Health Care Budget Items

Health care is a big part of the state's budget, and while not all budget items will have a direct impact on hospital operations, they will affect residents.

- **Single drug formulary.** The budget assumes savings of \$142 million by implementation of a single prescription drug list and contract with a single pharmacy benefit manager. The budget protects 340B hospitals and clinics.
- **Newborn screening fee.** Increased the newborn screening fee in order to add a new screen to the panel. We estimate about \$1 million more would be paid by hospitals for Medicaid patients.
- **Certificate of Need (CN) study.** Funded a \$25,000 study to examine the CN program and provide recommendations to increase successful applications, including inpatient psychiatric beds.
- **Medicaid managed care organization premiums** receive no increase.
- **Study on Medicaid tele-psychiatry consultation.** Report to the legislature by Oct. 1, 2017. We think this relates to provider-to-provider consults.
- **Hepatitis C.** Increased funding of \$173 million for pharmaceutical costs.
- **High-risk insurance pool** is funded at an additional \$18.5 million to extend coverage through December 2022.
- **Medicaid caseload adjustment.** The budget assumes savings of \$184 million due to reductions in Medicaid caseload due to increases in the minimum wage.
- **Dental care.** Additional funding of \$2 million to transition to managed care dental. The budget assumes improvements in dental payment, and utilization will be offset by \$16 million in avoided dental-related emergency department expenses.
- **DOH rulemaking.** The budget provides about \$1 million to the Department of Health for rulemaking by the Pharmacy Commission and oversight for the nurse staffing legislation.

Capital Budget Requests

Note: The legislature adjourned in late July without completing work on a new capital budget. It is possible it will be completed in a special session prior to 2018. If so, the online version of this document will be updated to reflect the contents of that budget.



Association of Washington Public Hospital Districts (AWPHD)

Updating Public Records Act

The Public Records Act is 40 years old and required some significant updating. AWPHD partnered with the Association of Cities and the Washington State Association of Counties to advance two bills, HB 1594 and HB 1595, which modernized the legislation allowing for payment for gathering electronic records and providing grants to small local governments (including hospital districts) to assist in building electronic capacity.

Updating EMT Retirement Laws

Full time emergency medical technicians (EMTs), including those employed by hospital districts, must join the Law Enforcement Officers' and Fire Fighters' (LEOFF) retirement program. The state's interpretation of current law would have created significant financial hardships for hospital districts. AWPHD, working with the LEOFF Board and the state Department of Retirement Systems, passed HB 2202, which clarified the law and saved significant dollars for hospital districts that employ EMTs.

Stopping Misguided Legislation

Three bills were introduced that would have had significant negative impact on hospital districts. AWPHD worked with others to prevent bills from passing. The first, SB 5218, would have required that local governments, including hospital districts, notify law enforcement if someone on their premises has an outstanding warrant for their arrest. While we had an amendment agreed to with the prime sponsor to clarify its intent, it did not pass. The second, HB 1287, would have required public agency collective bargaining sessions to be open to the public. The third bill, HB 1989, would have required that all agency committees (which for hospital districts would have included patient advisory committees) be open to the public.



Budget

- Holds rural nursing homes harmless from the adverse impact of new rate increases through the 2017–2019 biennium; and
- Ensures appropriate levels of funding for CPE-DSH programs.

Policy Preview: Continued Challenges

Some issues are just too big for one legislative session. Here is a look at some of the big deals that we're going to continue to work on.

Opioids

Drug overdoses — most of them involving opioids — recently surpassed car crashes as the leading cause of accidental death in our state and nationwide. Approximately 600 people die each year in Washington State from overdosing on prescription and illicit opioids.

WSHA and the Washington State Medical Association created a task force to develop solutions and address the growing opioid epidemic. The task force is focused on using data to drive appropriate prescribing based on national guidelines and other best practices to help reduce opioid addiction and overdoses. The task force is also focused on making structural changes to how we share clinical information related to opioid use or abuse amongst providers to provide high-quality and safe care.

We've made great progress in the last two legislative sessions, but more work remains. Over the coming year we will be working with hospitals and health systems and other stakeholders to take advantage of our state's new opioid laws and expand access to prevention and treatment services.



Mental Health

While WSHA was pleased to see extensive new funding for mental health this budget cycle, we know the work continues on this front. Two key areas for this work include work force and caring for longer-term mental health patients on 90/180-day commitments. The legislature wants more commitments in the community and not at the state hospitals. This year's budget was the first to make those changes, but the right level of capacity remains an ongoing question and one where WSHA will continue to need to be involved. Community providers, including hospitals, will also need to look at where they fit in on continuum of care.

We also continually hear about the challenges of recruiting certain clinical providers to deliver care. WSHA advanced an idea to increase the numbers of educated and trained psychiatric advance registered nurse practitioners, though it was ultimately not funded in the budget. We will look to understand these work force challenges more in the coming months to refine and develop a work force strategy for mental health.

Difficult to Discharge Patients

Many hospitals are struggling with significant numbers of patients who have completed their acute hospital stay, but for whom post-hospital placement cannot be found. Some need to transition to a skilled nursing facility (SNF), adult family home or assisted living facility. Unfortunately, some post-acute patients, especially Medicaid patients, are essentially "stuck" in hospitals when an appropriate next care setting cannot be found. This ties up acute care beds in hospitals that are already running at or near capacity. Barriers to post-acute care include lack of capacity for complex patients, delays in agency process and inadequate payment rates.

WSHA advanced a bill in 2017 to begin to address this issue, focusing on placement of Medicaid MCO patients in SNFs. The bill did not move, but WSHA is pleased that the legislature directed the Health Care Authority and Depart-

ment of Social and Health Services to identify barriers and suggest solutions to placement in SNFs. WSHA will continue to seek legislative and nonlegislative options to improve patient placement in appropriate care settings.

Ensuring Availability of Treatment Providers – Fixing *Volk v. DeMeerleer*

In December 2016, the Washington State Supreme Court issued a decision in *Volk v. DeMeerleer* that created new liability for mental health providers who treat patients in a voluntary inpatient or outpatient setting. Prior to *Volk*, treatment providers understood they could be liable if the patient expressed an intention to harm a specific person and the provider did not take steps to warn or protect that person. Under *Volk*, treatment providers must be able to “foresee” potentially violent behavior of a patient, whether it is expressed toward a specific individual or not, and take action to warn or protect.

WSHA and partner organizations supported a bill in the Senate that would return state law to the previous understanding: treatment providers must provide a warning and take action to protect when a patient expressed ill intentions toward specific people. While WSHA and partner organizations were unsuccessful in seeing legislation enacted in 2017, we did secure funds for a study of the bill. The University of Washington School of Law will complete the study this summer and fall and it will be ready for consideration by stakeholders and the legislature in 2018.

Reasonable Regulatory Environment (e.g. mergers, ambulatory surgical centers, meal and rest breaks, non-compete clauses)

Each year, a massive number of bills propose new regulations and requirements on hospitals. Over the past several years, WSHA has worked on bills on mergers and acquisitions, ambulatory surgical centers, meal and rest breaks, and non-compete clauses, to name a few. WSHA reviews and assesses the array of proposed requirements: Is the proposal reasonable? Will it actually make people safer? What will it take to implement? And every regulation has a cost: How will it affect the overall cost of health care? We also consider if we could solve the identified problem voluntarily. A reasonable regulatory environment is important for the health and well-being of patients, communities and hospitals.



WSHA will continue to advocate for reasonable, balanced approaches to regulation of hospitals and the health care system.

Rural

Our rural hospitals not only provide vital access to essential health services, but they are anchors of their local community. WSHA will continue to work with the legislature and partner organizations to identify opportunities to strengthen our rural health systems and their communities.

Many of our smallest, most remote rural hospitals struggle to find a sustainable path forward. For the past two years, the Washington Rural Health Access Preservation (WRHAP) project has worked to develop a new model for vulnerable hospitals. Building on the successful passage of HB 1520, WSHA will work with members and our state partners to implement an alternative payment methodology that will ensure access to the vital services delivered by our rural hospitals.

What it Takes to Advocate: Relationships, Input and the PAC

All Washington State residents, including legislators, depend on hospitals for their health care. Hospitals provide essential health services and jobs in communities across the state. But health care policy is complicated, and lawmakers and their staff members need to ensure that we can continue to improve the quality of care and maintain the fiscal sustainability of our hospitals.

Hospitals and health systems have much at stake in the political process on issues including regulation, patient access to care, reimbursements, health quality reporting, improving patient safety and more. The voices of hospitals and caregivers are loud and powerful. We get the best results when we work together to advocate for our institutions and our patients.

Here are three ways you can get involved:

Build relationships with your local legislators. Your hospitals care for people in many legislative districts, giving you a special perspective on the communities you both serve. No one knows the kinds of health problems that are in your area better than the hospitals. Your local representatives need to have an open line of communication with you so that they can better understand the impact of legislative proposals and regulatory issues.

The time to build those relationships is now. Having legislators and their staff people into your hospital for a meeting and a tour is a great way to get together, and WSHA staff is happy to help make that visit a productive one.

Make your voice heard in Olympia. Legislators care deeply about their communities, and it helps them understand bill impacts when they hear from hospital administrators. Your input is important. Whether you call, email or meet with your legislators, they learn from you.

Your committee testimony is also very important. The fact that you cared enough to go all the way to Olympia is



meaningful to legislators. Our policy and advocacy staff work hard to prepare all our members to testify, so you can feel confident and comfortable with the experience. If you are willing to bring your insight and experience, we'll take care of the logistics.

We are deeply grateful to the hospital representatives who testified during the 2017 legislative session. See the next page for a list of these mighty advocates!

Contribute to the PAC. The state and national hospital Political Action Committees are important ways for hospital and health system leaders to elect champions and engage with elected officials. Your support helps us elect strong lawmakers and build relationships with them. These conversations ensure they understand how their policies affect our ability to provide safe, quality health care.

By donating to the PAC, you help ensure that we elect legislators who understand and care about their local hospitals. The PAC also creates opportunities for hospital and health system leaders to build relationships with legislators.



To make your PAC donation online or for more information about last year's campaign leaders and how PAC funds are spent, visit www.wsha.org/whpac. Password: **WHPAC**

Thank You for Testifying in Olympia

Our thanks to everyone who testified in Olympia this year. Your insight on health care is critical to good legislative decision-making, and WSHA and legislators value the time you spend on improving health care policy.

Alison Bradywood, *Administrative Director, Clinical Quality, Virginia Mason Medical Center*

Brenda Parnell, *CEO, Garfield County Hospital District*

Brigitte Folz, *Director, Behavioral Health, UW Medicine/Harborview Medical Center*

Dana Nelson-Peterson, *Associate Chief Nursing Officer, Virginia Mason Medical Center*

Geri Forbes, *CEO, WhidbeyHealth*

Jenn Mykland, *Executive Director of Patient Access, MultiCare Health System*

Laura Collins, *Behavioral Health Administrator, UW Medicine/Harborview Medical Center*

Leianne Everett, *CEO, Morton General Hospital*

Matt Hanson, *Board Chair, Garfield County Hospital District*

Matt Lund, *Director of Contracting, UW Medicine/Harborview Medical Center*

Melissa Strong, *CNO, Mason General Hospital & Family of Clinics*

Michael Anderson, *CMO, CHI Franciscan Health*

Peter Frutiger, *Director, Revenue Cycle, Overlake Medical Center*

Rob Bennington, *ICU Manager, Mason General Hospital & Family of Clinics*

Scott Kennedy, *CMO, Olympic Medical Center*

Syd Bersante, *Market President Pierce Region, CHI Franciscan Health*





**NOTIFICATION OF CREDENTIALS FILES
FOR REVIEW**

Date August 15, 2017
TO: Board of Commissioners
FROM: Mandy Weed
 Medical Staff Services

The Medical Executive Committee has reviewed the applications for appointment or reappointment for the practitioners listed below. They recommend to the Board that these practitioners be granted appointment and privileges. Please stop by Franki's office prior to the next Board meeting if you wish to review these credentials files.

<u>PRACTITIONER</u>	<u>STATUS</u>	<u>APPT/REAPPT</u>
Eric Lindstrom, MD	Associate	Reappointment
James Brull, DO	Associate	Reappointment
Gregory Engel, MD	Active	Reappointment
Daniel Hanson, MD	Active	Reappointment
Christine Bentley, PA-C	AHP	Reappointment

August 2017

Medical Staff Services:

- We had five provider interviews during July. We extended offers to two of them and they have both accepted; start dates are later this year during Q4. I would like to compliment Mitch Engel, our provider recruiter, for his diligent work. He is approaching his 1 year anniversary in this position, and over all we have reached employment agreements with about 12 providers, both physicians and APCs (PAs and ARNPs). Several of these will start between now and the end of 2017, but 4 are already here by this month. Please compliment him on his hard work if you see him.
- We had a third year Family Medicine resident visit and we are in the process of arranging a month-long rotation for him in Family Medicine Cle Elum. He appears very interested in employment here.
- We are working out details for a Dermatologist to see patients in General Surgery 1-2 days per month.
- We continue to explore opportunities to cooperate with CWU to help fill an opening in their Student Health Center.
- Mandy Weed, our Medical Staff Coordinator, continues with another busy month, currently processing 8 Reappointments, 10 initial appointments, 1 Resident, and 3 students. So far, 5 students at KVH in the month of August (all processed, went through IT and training with various departments)

Hospitalists:

- The Hospitalists reviewed 3 different products to improve our management of severely ill patients with Sepsis and other forms of shock and Heart failure, trying to pick the most cost-effective and efficient solution to provide non-invasive monitoring to our patients.
- We are continuing to actively interview and recruit for another hospitalist physician to fill our remaining shifts that require locums' coverage, and hope to have news soon.

ED/Urgent Care:

- We will be at our full complement of APCs to help our ED docs meet the peak loads between 10 AM and 10 PM, now 7 days per week with only a few shifts uncovered. Dr. Lindsey is very relieved.

Clinics:

- I had called for a provider meeting in FME this week, and when I got there the room was full! I can't tell you how good that made me feel!
- Occupational Medicine – building will be ready to occupy, staff has been hired, including a part-time Occupational medicine physician and a full time PA, Ryan Ahr, PA-C, and anticipate our planned opening of clinic on September 11; focus (for business development) will be to continue meeting with customers, crafting employer protocols and developing relationships; assessing needs of customers and working with operations to meet those needs.
 - We have already signed our first business contract to provide occupational medicine services to an industrial employer. Public feedback is positive, especially as it relates to experienced Occ. Med. providers handling injury care and the drug/alcohol testing services being provided by both the clinic and the hospital lab for after-hours collections.
 - Partnerships are being extended to Occ. Med. providers out of area who have clients in Kittitas County needing services at a local clinic.
 - Forms and marketing material are being created and finalized.
- Wound Care Clinic – we will have a presentation to the Board on our progress to date on the feasibility of the clinic.



July Operating Highlights:

- We achieved an overall operating gain of \$478,780 in July. Year to date the operating income of \$1,146,991 exceeds budget by \$571,071.
- We performed 14 total joint procedures in July compared to the previous eleven month average of 9. As a result our Inpatient Surgery Minutes exceeded budget by 10% and Inpatient Surgery Revenue exceeded budget by \$50,982.
- Outpatient Revenue was below budget due to lower than budgeted volume in the Clinics and Rehabilitation Services.
- Accounts Receivable Days have increased to 53.1 days reflecting a coding backlog that is currently being addressed.
- Medicare issued a net lump sum payment of \$388,000 reflecting a change in our inpatient per diem payment rate and payment rates for our Rural Health Clinics based on our submitted cost report.
- Other operating revenue exceeded budget due to receipt of a back log of payments for 340B.

Key Metrics:

- Days Cash on Hand = 149.3
- AR Days = 53.1
- Operating Margin YTD = 2.7%

Kittitas Valley Healthcare
Key Statistics and Indicators
 July 2017

Activity Measures	Current Month			Year to Date			Prior YTD		
	Actual	Budget	Var. %	Actual	Budget	Var. %	Actual	Var. %	
01 Admissions	92	102	-9.8%	522	627	-16.7%	650	-19.7%	01
02 Patient Days - W/O Newborn	236	272	-13.2%	1,438	1,679	-14.4%	1,836	-21.7%	02
03 Avg Daily IP Census	7.6	8.8	-13.2%	6.8	7.9	-14.4%	8.6	-21.3%	03
04 Average Length of Stay	2.6	2.7	-3.8%	2.8	2.7	2.9%	2.8	-2.5%	04
05 Deliveries	32	29	10.3%	199	171	16.4%	183	8.7%	05
06 Case Mix	0.81	0.98	-17.2%	1.04	0.98	6.2%	1.03	1.1%	06
07 Surgery Minutes - Inpatient	3,519	3,186	10.5%	20,959	19,483	7.6%	22,171	-5.5%	07
08 Surgery Minutes - Outpatient	5,723	6,893	-17.0%	46,886	46,897	0.0%	48,229	-2.8%	08
09 Surgery Procedures - Inpatient	27	26	3.8%	172	159	8.2%	183	-6.0%	09
10 Surgery Procedures - Outpatient	86	122	-29.5%	821	830	-1.1%	873	-6.0%	10
11 ER Visits	956	1,115	-14.3%	7,430	7,657	-3.0%	8,201	-9.4%	11
12 Laboratory	38,466	37,137	3.6%	269,400	253,714	6.2%	266,596	1.1%	12
13 Radiology	26,016	24,916	4.4%	182,663	173,793	5.1%	178,704	2.2%	13
14 Rehab	2,420	3,527	-31.4%	23,555	24,309	-3.1%	22,542	4.5%	14
15 Outpatient Visits	6,074	6,255	-2.9%	43,337	42,700	1.5%	43,881	-1.2%	15
16 Outpatient Percent of Total Revenue	83.1%	84.1%	-1.1%	84.2%	82.5%	2.0%	81.2%	3.6%	16
17 Clinic Visits	4,706	5,228	-10.0%	34,728	34,596	0.4%	34,292	1.3%	17
18 Adjusted Patient Days	1,399	1,708	-18.1%	9,081	9,611	-5.5%	9,786	-7.2%	18
19 Equivalent Observation Days	66	72	-7.7%	575	471	22.1%	472	21.9%	19
20 Avg Daily Obs Census	2.1	2.3	-7.7%	2.7	2.2	22.1%	2.2	21.9%	20
Financial Measures									
21 Salaries as % of Net Pt Revenue	51.2%	54.0%	5.3%	53.9%	54.1%	0.5%	52.0%	-3.7%	21
22 Salaries/Bene as % of Net Pt Revenue	63.8%	67.6%	5.7%	66.9%	67.1%	0.3%	64.2%	-4.3%	22
23 Revenue Deduction %	43.6%	43.1%	-1.3%	45.8%	43.4%	-5.6%	44.8%	-2.2%	23
24 Operating Margin	7.7%	2.3%	232.9%	2.7%	1.4%	102.2%	0.7%	280.2%	24
Operating Measures									
25 Productive FTE's	386.0	418.5	7.8%	407.3	414.5	1.7%	398.4	-2.2%	25
26 Non-Productive FTE's	69.7	52.7	-32.2%	51.6	52.7	2.1%	50.7	-1.7%	26
27 Paid FTE's	455.6	471.2	3.3%	458.9	467.2	1.8%	449.1	-2.2%	27
28 Operating Expense per Adj Pat Day	\$ 4,119	\$ 3,614	-14.0%	\$ 4,500	\$ 4,377	-2.8%	\$ 4,141	-8.7%	28
29 Net Revenue per Adj Pat Day	\$ 4,462	\$ 3,700	20.6%	\$ 4,626	\$ 4,437	4.3%	\$ 4,171	10.9%	29
30 A/R Days-Hospital Only	53.1	50.0	-6.2%	53.1	50.0	-6.2%	49.4	-7.5%	30
31 Days Cash on Hand	149.3	160.0	-6.7%	149.3	160.0	-6.7%	173.7	-14.1%	31

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Kittitas Valley Healthcare
Income Statement
July 2017

	Current Month				Year-to-Date				Prior Y-T-D	
	Actual	Budget	Variance	Variance %	Actual	Budget	Variance	Variance %	Actual	
Patient Services Revenue:										
Inpatient Revenue	1,811,665	1,730,082	81,584	4.72%	12,054,272	12,871,947	(817,675)	-6.35%	13,579,758	1
Outpatient Revenue	8,928,597	9,135,598	(207,001)	-2.27%	64,072,748	60,813,964	3,258,784	5.36%	58,798,311	2
Total Patient Services Revenue	\$ 10,740,262	\$ 10,865,680	\$ (125,418)	-1.15%	\$ 76,127,020	\$ 73,685,911	\$ 2,441,109	3.31%	\$ 72,378,069	3
Deductions from Revenue:										
Contractual Adjustments	4,303,574	4,378,744	75,170	1.72%	32,558,814	29,893,424	(2,665,391)	-8.92%	30,428,639	4
Provision for Bad Debts	254,189	207,347	(46,842)	-22.59%	1,422,558	1,422,175	(383)	-0.03%	1,335,208	5
Charity and Uncompensated Care	75,302	62,204	(13,098)	-21.06%	466,777	426,652	(40,124)	-9.40%	380,242	6
Prior Yr Cost Rep Settle	-	-	-	-	-	-	-	-	-	7
Other Allowances	52,856	29,736	(23,120)	-77.75%	411,710	203,960	(207,749)	-101.86%	271,429	8
Total Deductions from Revenue	\$ 4,685,921	\$ 4,678,031	\$ (7,890)	-0.17%	\$ 34,859,858	\$ 31,946,212	\$ (2,913,647)	-9.12%	\$ 32,415,518	9
Net Patient Services Revenue	6,054,341	6,187,649	(133,308)	-2.15%	41,267,162	41,739,700	(472,538)	-1.13%	39,962,551	10
Other Operating Revenue	187,794	132,164	55,630	42.09%	744,949	908,128	(163,179)	-17.97%	854,173	11
Total Operating Revenue	\$ 6,242,135	\$ 6,319,813	\$ (77,678)	-1.23%	\$ 42,012,111	\$ 42,647,828	\$ (635,717)	-1.49%	\$ 40,816,724	12
Operating Expenses:										
Salaries & Wages	3,099,663	3,344,038	244,376	7.31%	22,231,541	22,599,814	368,274	1.63%	20,769,966	13
Employee Benefits	762,443	840,144	77,701	9.25%	5,390,479	5,425,667	35,189	0.65%	4,871,386	14
Professional Fees	92,646	100,605	7,959	7.91%	484,898	576,424	91,527	15.88%	2,025,356	15
Supplies	727,069	711,488	(15,581)	-2.19%	5,133,597	5,028,886	(104,711)	-2.08%	4,864,521	16
Utilities	66,983	71,455	4,472	6.26%	509,079	500,246	(8,833)	-1.77%	464,153	17
Purchased Services	502,004	525,846	23,841	4.53%	3,273,671	3,783,575	509,903	13.48%	3,771,095	18
Depreciation	207,179	216,152	8,973	4.15%	1,651,419	1,645,062	(6,357)	-0.39%	1,563,547	19
Rent/Lease	118,642	115,974	(2,668)	-2.30%	775,000	793,726	18,726	2.36%	615,154	20
Insurance	39,501	50,730	11,229	22.13%	280,909	355,111	74,202	20.90%	338,340	21
Travel & Education	23,553	42,583	19,030	44.69%	204,972	290,905	85,933	29.54%	218,957	22
Licenses & Taxes	64,889	77,649	12,761	16.43%	508,536	551,007	42,470	7.71%	540,358	23
Interest	19,800	19,252	(548)	-2.84%	138,600	134,767	(3,833)	-2.84%	172,472	24
Other Direct Expenses	38,983	58,291	19,309	33.12%	282,420	386,719	104,298	26.97%	308,302	25
Total Operating Expenses	\$ 5,763,355	\$ 6,174,209	\$ 410,853	6.65%	\$ 40,865,121	\$ 42,071,909	\$ 1,206,788	2.87%	\$ 40,523,609	26
Operating Income	\$ 478,780	\$ 145,604	\$ 333,175	228.82%	\$ 1,146,991	\$ 575,920	\$ 571,071	99.16%	\$ 293,115	27
Operating Margin %	7.67%	2.30%			2.73%	1.35%		0.7%		
Non-Operating Revenue/Exp	166,446	141,689	24,758	17.47%	1,098,876	991,821	107,055	10.79%	1,014,034	28
Net Income	\$ 645,226	\$ 287,293	\$ 357,933	124.59%	\$ 2,245,866	\$ 1,567,740	\$ 678,126	43.25%	\$ 1,307,149	29
Unit Operating Income										
Hospital	840,833	528,791	312,042	59.01%	3,142,859	2,940,802	202,058	6.87%	2,629,207	30
Clinic Group	(435,178)	(403,004)	(32,174)	-7.98%	(2,390,217)	(2,541,767)	151,550	5.96%	(2,153,521)	31
Home Care Grp	56,892	14,104	42,788	303.38%	347,599	135,164	212,436	157.17%	(179,033)	32
Urgent Care	16,232	5,714	10,519	184.10%	46,749	41,721	5,028	12.05%	(3,538)	33
Totals	\$ 478,780	\$ 145,604	\$ 333,175	228.82%	\$ 1,146,991	\$ 575,920	\$ 571,071	99.16%	\$ 293,115	34



Balance Sheet

July 2017

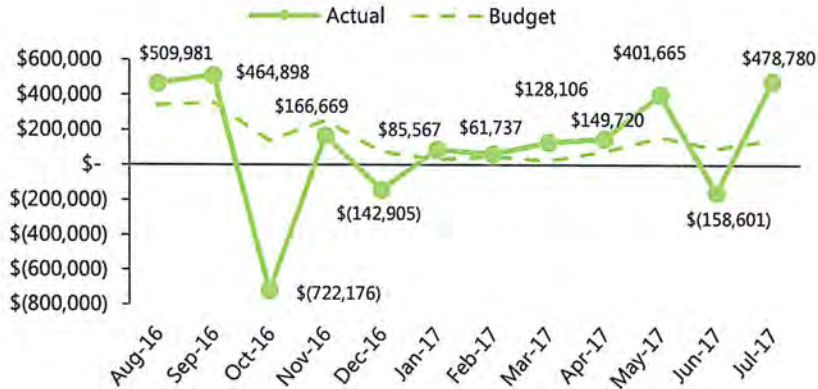
	<u>Current Month</u>	<u>Prior Year End</u>	<u>Change</u>	
Current Assets:				
1	Cash	2,028,991	4,551,414	(2,522,424) 1
2	Gross Patient Accounts Receivable	20,353,115	15,700,798	4,652,317 2
3	Allowance	(10,020,511)	(7,527,059)	(2,493,453) 3
4	Other Receivable	60,151	221,003	(160,852) 4
5	Third Party Receivable	1,853,000	1,465,000	388,000 5
6	Inventories	1,138,792	1,154,571	(15,778) 6
7	Prepaid Expenses and Deposits	898,482	904,185	(5,703) 7
8	Total Current Assets	16,312,021	16,469,913	(157,892) 8
Assets Whose Use is Limited:				
9	Investments	25,580,512	25,308,302	272,210 9
10	Total Assets Whose Use Is Limited	25,580,512	25,308,302	272,210 10
Property, Plant & Equipment:				
11	Property, Plant and Equipment	63,647,864	61,136,650	2,511,214 11
12	Less Accumulated Depreciation	36,576,192	35,481,022	1,095,170 12
13	Net Property, Plant & Equipment	27,071,672	25,655,628	1,416,045 13
Other Assets				
14	Bond Issue Costs, Less Amortization	0	0	0 14
15	Total Other Assets	0	0	0 15
16	Total Assets	68,964,205	67,433,843	1,530,362 16
Current Liabilities:				
17	Accounts Payable	1,005,883	1,715,658	(709,775) 17
18	Third Party Payable	1,608,400	1,340,000	268,400 18
19	Accrued Salaries	943,484	1,029,748	(86,264) 19
20	Accrued Employee Benefits	741,950	1,050,544	(308,594) 20
21	Accrued Vacations	2,050,011	1,926,470	123,540 21
22	Current Maturities of Long-Term Debt	1,548,713	1,548,713	0 22
23	Current Maturities of Capital Leases	0	0	0 23
24	Total Current Liabilities	7,898,440	8,611,133	(712,693) 24
Other Liabilities:				
25	Accrued Interest 2008 UTGO & 2009 LTGO I	45,657	22,829	22,828 25
26	2008 UTGO Refunding Bonds Premium	33,538	54,735	(21,197) 26
27	Deferred Tax Collections	20,056	0	20,056 27
28	Deferred Revenue - Home Health	112,723	137,221	(24,499) 28
29	Total Other Liabilities	211,973	214,784	(2,812) 29
Long-Term Debt & Capital Leases:				
30	Long-Term Debt - 2008 UTGO Bonds	1,026,287	1,026,287	0 30
31	Long-Term Debt - 2009 LTGO Bonds	3,083,329	3,083,329	0 31
32	Long-Term Debt - Energy Project	(0)	(0)	0 32
33	Long-Term Debt - Dell	(0)	(0)	0 33
34	Long-Term Debt - PACS System	0	0	0 34
35	Total Long-Term Debt & Leases	4,109,616	4,109,616	0 35
Fund Balances:				
36	Equity - Hospital Operations	54,498,310	52,954,395	1,543,915 36
37	Income (Loss) Year-to-Date	2,245,866	1,543,915	701,951 37
38	Total Fund Balance	56,744,176	54,498,310	2,245,866 38
39	Total Liabilities & Fund Balance	68,964,205	67,433,843	1,530,362 39

Cash Flow
Year to Date, July 2017

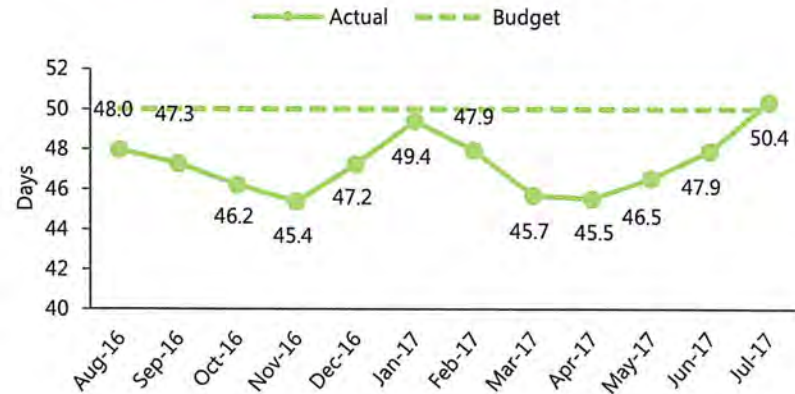
	Cash	Add	Subtract
1 Net Book Income	2,245,866	2,245,866	
<u>Add Back Non Cash Expenses</u>			
2 Depreciation	1,095,170	1,095,170	
3 Provision For Bad Debt			
4 Loss on Sale of Assets			
5 Net Cash From Operations	3,341,036		
Increase in Current Assets = ()			
6 Patient Accounts	(2,158,865)		(2,158,865)
7 Other Receivables	(227,148)		(227,148)
8 Inventories	15,778	15,778	
9 Prepaid Expenses & Deposits	5,703	5,703	
10 Total Current Assets	(2,364,531)		
11 Investments	(272,210)	0	(272,210)
Purchase of Property, Plant & Equipment:	(2,511,214)		(2,511,214)
12 Net Property, Plant & Equipment	(2,511,214)		
13 Bond Issue Costs, Less Amortization	0		
14 Total Assets	(1,806,919)		
Decrease in Current Liabilities: = ()			
15 Accounts Payable	(709,775)		(709,775)
16 Cost Reimbursement Payable	268,400	268,400	
17 Accrued Salaries	(86,264)		(86,264)
18 Accrued Employee Benefits	(308,594)		(308,594)
19 Accrued Vacations	123,540	123,540	
21 Current Maturities of Long-Term Debt	0		
22 Current Maturities of Capital Leases	0		
23 Total Current Liabilities	(712,693)		
Decrease in Other Liabilities: = ()			
24 Accrued Interest on 1998, 1999 UTGO Bond:	22,828	22,828	
25 2008 UTGO Refunding Bonds Premium	(21,197)		(21,197)
26 Deferred Tax Collections	20,056	20,056	
27 Deferred Revenue - Home Health	(24,499)		(24,499)
28 Total Other Liabilities	(2,812)		
Decrease in LT Debt & Cap Leases: = ()			
29 Long-Term Debt - 2008 UTGO Bonds	0		
30 Long-Term Debt - 2009 LTGO Bonds	0		
31 Long-Term Debt - Energy Project	0		
32 Long-Term Debt - Dell	0		
33 Long-Term Debt - PACS System	0		
34 Total Long-Term Debt & Leases	0		
35 Total Liabilities	(715,504)		
36 Net Change in Cash	(2,522,424)	3,797,342	(6,319,765)
37 Beginning Cash On Hand	4,551,414		
38 Ending Cash On Hand	2,028,991		

Financial Stewardship

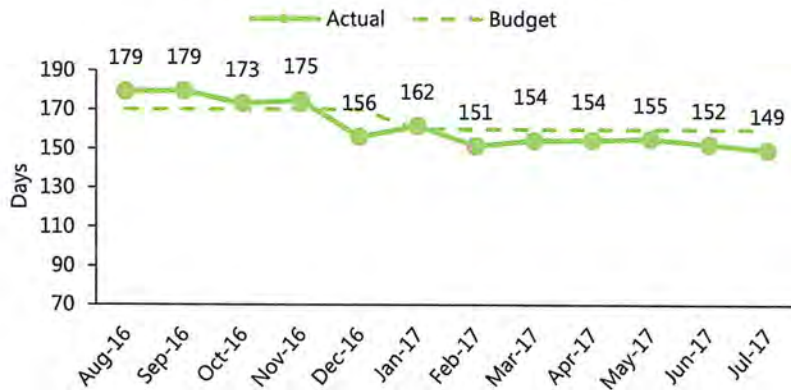
Operating Income



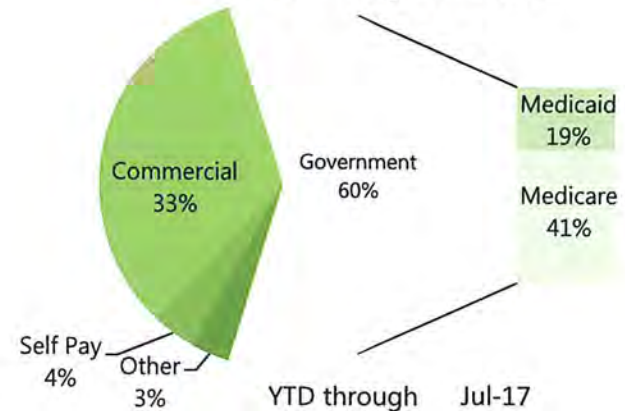
Accounts Receivable Days



Days Cash on Hand



2017 Payer Mix



17e

**KITTITAS VALLEY HEALTHCARE
Capital Expenditure Board Narrative**

Requesting Department: CCU, ED, FBP, OR

Capital Item Requested: GS Ti Spectrum - Glidescope System

Function of Project: The GlideScope system is a video laryngoscope system used to directly visualize a patients airway during intubation. The request is for the purchase of three new units and the upgrade of 1 unit.

Reason Requested: The PVGL models housed in CCU and ED entered "End of Life" status in 2014. Parts and support are no longer available. The unit in CCU is no longer functioning.

Budget: \$17,485

Actual Cost: \$46,000

The capital budget amount of \$17,485 was for only one GlideScope system however the system for FBC will be funded through the Foundation as part of the Fund a Need project for 2017.

Submitted By: Vicky Machorro, Chief Nursing Officer

Date: 08/24/2017

OPERATIONS REPORT

August 2017

PATIENT CARE OPERATIONS

- All clinical areas have been steadily working on preparation for "OneSource". There is a lot of work behind the scenes that is required in addition to work flow changes that need to be tried and tested.
- **Telemetry Monitoring:** KVH has the opportunity to apply for the Telemetry Monitoring Accreditation from the American Board of Cardiovascular Medicine. As a result of the EKG education session provided by Dr. Jonni Cooper, Dr. Cooper has agreed to facilitate and assist our staff with this project that will improve our current process and provide consistency for our patients who require cardiac monitoring. KVH would be the first hospital in the nation to receive this certificate.
- **Emergency Department:** The staff are preparing for the opening of the "Ouchless ER". Staff training has been scheduled for August 26, facilitated by Jennifer Jones, MS, CLS who is a Certified Child Life Specialist.

Thank you, Vicky Machorro, Chief Nursing Officer

ANCILLARY SERVICES OPERATIONS

- **Diagnostic Services:**
 - Digital mammography is scheduled for an official "go live" on August 28th.
 - We are changing the type of laboratory services performed in the FME clinic. We will be offering point of care testing on site and perform phlebotomy at the clinic for patient convenience. Routine and stat labs will be performed in the main hospital lab. This will allow us to balance the workload between KVH main lab and FME lab. This change in structure will also allow us to send a phlebotomist to Internal Medicine or other clinics where a patient may have difficulty ambulating to KVH Hospital lab.
- **Upper Kittitas County:** We are actively looking for space in Cle Elum to relocate KVH Rehab Services as space is needed in FMC for incoming providers.
- **Emergency Management:** Jim Allen has been in close contact with Incident Command on the Jolly Mountain and Rye Grass fires keeping us updated on the impact to KVH services, our patients and community.

Thank you, Rhonda Holden, Chief Ancillary Officer

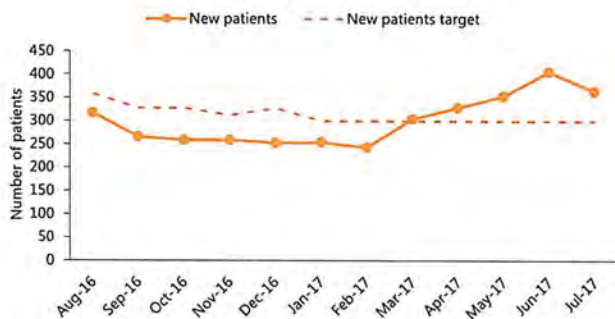
CLINIC OPERATIONS

- **Phlebotomy:** Effective immediately – there will be a phlebotomist on call to come over to KVH Internal Medicine.
- **CHCW:** There was a great KVH showing at the Community Health Central Washington open house on August 1st. There were stories shared and reminiscing of the past 10 years.
- **Workplace Health (Occupational Medicine):** Still on track for September 11th opening. Ryan Ahr, PA-C stopped by for a day to walk through the new clinic. He met his staff and we were able to review some work that we have completed already around workflows and standard work.
- **Scribes:** As the providers see the productivity difference in colleagues, the word is getting out there that a few more providers would like to have scribes. We are in the processes of training a scribe for KVH Orthopedics, KVH Internal Medicine and another scribe for KVH Family Medicine of Ellensburg. This is a total of 6 individuals in this position.
- **Clinic Manager:** A new position for a clinic manager has been posted. This person will manage the operations of KVH General Surgery, KVH Orthopedics and KVH Workplace Health.

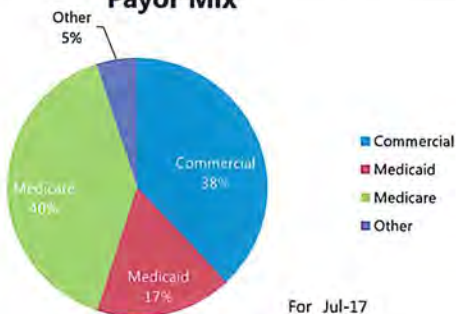
Thank you, Carrie Barr, Chief of Clinic Operations

Clinic Operations Dashboard

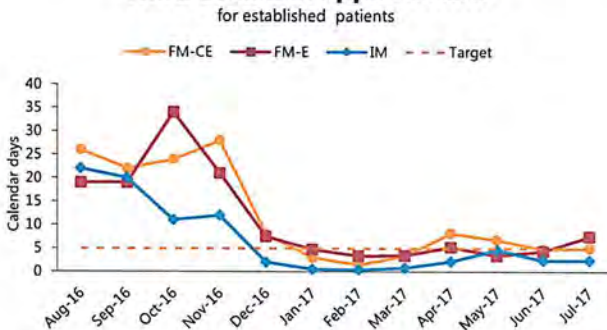
New patients



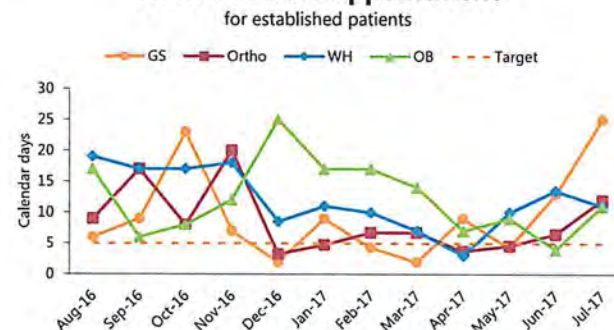
Payor Mix



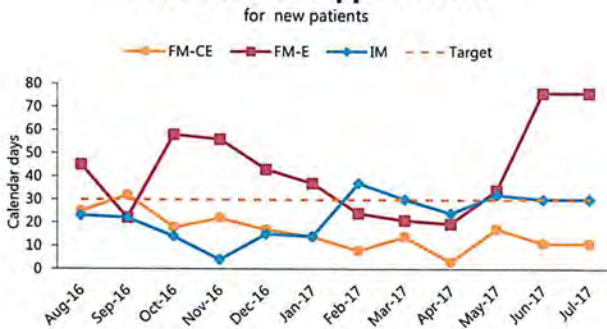
Third available appointment for established patients



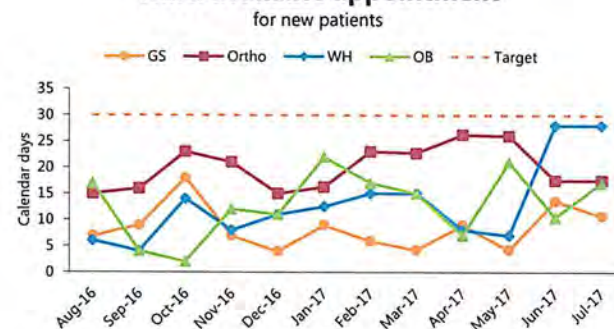
Third available appointment for established patients



Third available appointment for new patients



Third available appointment for new patients



Patient satisfaction



Coverys Risk Management Governing Board and Chief Officer Risk Education Bootcamp

Details

September 22, 2017

You Speak . . . We Listen!

Although the governing board delegates the design, implementation, and measurement of the quality and risk programs, the board is legally and ultimately responsible for ensuring the quality and safety of patient care throughout the organization. Board members and chief officers have recognized the need for risk- and safety-specific education and requested Coverys' expertise to fill this gap and enhance patient care and safety.

This six-hour intense seminar provides in-depth, board-specific information and risk mitigation guidance covering the eight domains of risk management:

1. Legal/ Regulatory - Management of legal, regulatory, and statutory mandates on a local, state, and federal level such as fraud and abuse, licensure, accreditation, product liability, management liability, and CMS Conditions.
2. Human Capital - Important issues related to today's workforce including recruitment, retention, and termination.
3. Operational - Risks related to adverse event management, credentialing, and inadequate or failed processes.
4. Strategic - The rapid pace of healthcare creates unpredictability. Strategic risks include brand, reputation, competition, failure to adapt, and other potential strategic risks.
5. Hazard - This includes natural hazards (floods, fires, etc.) as well as facility management and business interruption.
6. Clinical/ Patient Safety - Serious safety events, hospital acquired conditions, and other risks associated with the delivery of care.
7. Financial - Decisions that affect the financial sustainability of the organization including malpractice, litigation, and compliance are just a few topics that will be discussed during this session.
8. Technology - Not only machines and devices, but how they are used and documentation practices, social media, and cyber risks will be presented.

Lodging:

Coverys has secured a room block for this event with a room rate of \$139 per night plus taxes and fees. Rooms must be reserved via the registration process to be included in the Coverys block.

The Davenport Grand is located in the heart of downtown Spokane and just 15 minutes from Spokane International Airport. The Davenport Grand offers walkable access to shopping, dining, and recreation. The Davenport Grand is a non-smoking facility and observes a 4 p.m. check-in and a noon check-out. The maximum number of occupants per hotel room is four. Discounted valet parking is available for \$17 daily or \$22 overnight. Self-parking is \$5 for hours 1-4/\$1 for each additional hour, or \$17 overnight.

Registration fees:

Early bird registration before August 25, 2017:

\$150 Bootcamp and meals only

\$320 Bootcamp, one night of lodging (September 21), and meals . Please indicate your lodging needs during the registration process. **The deadline to reserve a hotel room is Friday, August 25, 2017.**

After August 26, 2017:

\$175 Bootcamp and meals only

Registration deadline:

September 14, 2017

[When](#)

Friday, September 22, 2017

7:00 AM - 3:00 PM

Pacific Time

[Where](#)

The Davenport Grand

333 W. Spokane Falls Blvd.

Spokane, Washington 99201

USA

800-228-9290

[Planner](#)

[Andrea Starmar](#)

20



Feasibility Study Update
August, 2017

WOUND CARE

Wound Care Analysis

Contents

- Wound care overview
- Current wound care services
- Full wound care program overview
- Next steps

Overview of Service

What do we mean by wound care?

Any technique that enhances the healing of skin abrasions, blisters, cracks, craters, infections, lacerations, necrosis and/or ulcers. Wound care can involve any of the following: debridement, dressing changes, positioning of affected body part, application of compression or medicated bandages, treatment of edema or lymphedema and/or infection, optimization of nutrition and blood glucose levels, maximization of blood flow and oxygen. – *Association for the Advancement of Wound Care*

Who receives wound care?

- Diabetic patients
- Patients with compromised circulation
- Patients with venous stasis ulcers
- Patients with pressure ulcers
- Patients experiencing post-surgical non-healing wounds

Common Procedures and Care

Dressing changes	Debridement
Surgical interventions to improve blood flow	Antibiotic therapy
Cellular technology	Hyperbaric oxygen procedures

Current wound care offerings at KVH

Challenge:

- Difficult to extract data from current EHR system using service codes; codes in the system are for procedures currently performed in clinic that would not necessarily be performed in a wound care clinic setting

Data:

- MOP data reflects 6 patients seen in 2016 for wound care services, resulting in a total of 20 visits
- KVH does not offer formal vascular assessments or vascular surgeries; these services are referred out
- Surgical interventions are limited to debridement, some reconstruction and/or amputation
- Incorporating what we know of home health and OR staff related to wound care services and polling local providers likely to provide wound care services, the following was determined:

Note: Of 43 providers polled, there was a 30% response rate with 13 respondents

69% provide some level of wound care (primarily level 1 with some level 2) – office/outpatient setting and ED/OR

23% indicated they do not provide wound care

HHH as repository of much of KVH institutional skill and hands on wound care for selected patients

Levels of wound care, based on acuity of care:

- LEVEL 1: Basic clinical services
- LEVEL 2: Minimal care
- LEVEL 3: Moderate care
- LEVEL 4: Complex care

Services Being Considered for Full Wound Care Program at KVH

- Procedures:

Full Program	Currently Provided
Antibiotics for infections	Yes
High tech dressing changes	Occasional
Nutritional Counselling	Occasional
Selective debridement	Occasional
Excisional debridement	Occasional
Strapping	
Cell and tissue based technology	
Negative pressure dressing change/wound vacuum	Occasional
Vascular resupply	
Complex reconstruction or amputation	Rare

Current wound care services provided by KVH are limited in scope and dependent on variable expertise and interest of individual practitioners, resulting in an unorganized approach. When a provider begins to exceed their comfort level or a wound fails to heal, we refer to out of county service providers.

Questions to be answered:

- Is there a viable clinical and business opportunity to develop a wound care service line for KVH?
- Where is the best location for this service in the short term? In the long term?
- If service is viable, what is the implementation timeline and recommendation for timing?

Next steps:

- Further vetting of our pro forma so we can be confident in our recommendations
- Continued evaluation of interest and staffing options
- Evaluation of potential location logistics and recommendation
- Recommendation for final decision (go/no-go/defer)

KVH Strategic Plan Draft

Core Values

Respect: We recognize the dignity of patients and staff, and treat them with compassion.

Quality: We provide excellent, safe care for members of our community in a healing environment.

Service: We promote a culture of “yes,” where patients come first in all we do.

Transparency: We are principled, accountable, and do the right thing with openness and honesty.

Collaboration: We work as a team, in partnership with the broader medical community, to ensure patients receive the best care.

Mission

We are a community-focused health system providing outstanding, personalized care to improve the lives of individuals and families.

Vision

All Our patients, providers, and employees are proud to recommend Kittitas Valley Healthcare as a their-trusted source for personal health and community well-being.

Access

Strategy 1

Recruit and retain physicians and advance practice clinicians

Draft: Physician/advanced practice clinician recruitment and retention

How we get there

Creating a relationship between care team and patient

Improved community provider relationships

Community commitment/create community opportunity

Provider wellness-efficient processes, appropriate staffing models, resources available to patient and provider (patient centered medical home)

Strategy 2

Design care models and processes to meet patient needs

Draft: Care model/process redesign

How we get there

Patient satisfaction; navigate patients to appropriate care, educate on wellness, chronic care management

Performance management-balanced patient panel, empower provider to work on patient wellness and improvement initiatives

Identify and define a behavioral health model and other potential care models

Strategy 3

Develop a clinic facilities improvement plan

Draft: Clinic facilities improvement plan

How we get there

Address immediate space needs with a focus on future medical staff growth and community needs

Achieve equity for communities served (Cle Elum, Ellensburg)

Strategy 4

Promote a culture where patients come first in all we do

Draft: Culture of "yes"

How we get there

Clear definition of customer and expectations of staff

Empower staff to say "yes" and to offer a solution/alternative to patients

Revision of hiring process - behavioral based questions

Partnerships and Collaboration

Strategy 1

Support and develop a cohesive medical community

Draft: Support a cohesive medical community and medical team leadership

How we get there

Continue and increase participation in M&M and annual provider education conference with national expert

Provide annual recognition banquet for all community providers

Support development of medical staff leadership succession plans

Leverage opportunities with community partners to expand and/or share services (e.g. group visits, shared pediatrics, dermatologist, oncologist, other specialty within one degree, mobile van)

New: Support and develop medical staff leadership

Strategy 2

Invest in the well-being, development, and training of KVH employees

Draft: Develop employees that are proud to recommend KVH

How we get there

Identify new recognition opportunities that are meaningful and important to staff

Continue existing and implement new recognition programs (for example, SAFE catch, annual banquet)

Provide specialty education to staff for new/expanded services (growing our own)

Reinvigorate patient and family engagement and reinstate Patient and Family Advisory Council

Strategy 3

Seek collaborative relationships to expand or improve service offerings and keep care local

Draft: Seek collaborative relationships with outlying providers and payers to expand service offerings and keep care local

How we get there

Identify needed specialties for our community by engaging with providers and staff in their observations/needs

Determine appropriate partner to meet community need and to derive mutual benefit for KVH and partner organizations (include doulas, midwives, alternative therapies)

Determine best location for specialty services and KVH (cost, access, sustainability)

Initiate relationships at the appropriate level (CEO vs. specialist)

Message directly and consistently to the community the intention to provide/expand services locally

Partnerships and Collaboration

Strategy 4

Enhance relationships with strategic partners (HD2 and Foundation)

How we get there

- Appoint Foundation members to serve on key KVH committees as appropriate (Patient Family Advisory Council)
- Recognize Foundation at annual Volunteer Recognition Banquet and in other appropriate venues
- Share success stories with the Foundation Board; have staff or patients share story of how the item donated by the Foundation has improved their work or the care received
- Provide education to Foundation on key healthcare topics; utilize Administrative Team or medical staff to provide the education
- Communicate outcomes and initiatives of joint hospital district work (Community Healthcare Roundtables, etc.)

Financial Sustainability

Strategy 1

Maintain positive operating margin and strong cash reserves

How we get there

Control unit costs as we grow volumes/services

Develop less inpatient centric indicators/metrics that reflect true mix of revenue generating activities

Clearly communicate operational results and implications to internal and external partners

Strategy 2

Be adaptive and responsive in order to grow our market share

Draft: Grow our market share

How we get there

Increase community's utilization of local services

Revised: Identify opportunities to expand services to meet local needs

Maintain and improve infrastructure as necessary to support current services, new services, and new providers

Revised: Provide evaluation tools for new services and refine implementation processes to reduce time from evaluation to provision

Strategy 3

Maintain access to capital

How we get there

Partnerships on specific services

Community support

Use opportunities to borrow when appropriate

Community Engagement

Strategy 1

Promote personal health and well-being in the community

How we get there

Sponsor or provide opportunities for education on health-related topics

Sponsor or provide opportunities for employee or community wellness activities

Act as a role model and resource for health and wellness policies in the community

Strategy 2

Build community trust and transparency

How we get there

Provide opportunities for public engagement like community forums or periodic tours/open houses of facilities

Increase circulation of patient stories and information about services offered

Increase brand awareness by sponsoring or participating in local events

Increase visibility in the community

Strategy 3

Be a strong community partner

Draft: Be a strong community partner for local non-healthcare entities

How we get there

Work with community partners like schools and Central Washington University to identify potential education needs

Revised: Participate in local planning efforts or sponsor local activities related to health or the social determinants of health

Support employee community service activities

KVH Strategic Plan

Board of Commissioners Meeting

August 24 2017



Overview of Process & Work Completed

Stakeholder Input Sessions

- Admin Team
- Leadership Team
- Medical Staff
- District 2 and Foundation Boards
- Community

Board Planning Retreat (June 25-28 in Chelan)

- Set Strategic Direction (Mission, Vision, Values)
- SWOT and Gap Analysis
- Scenario Planning
- Strategic Priorities and Goals

Post-Retreat Stakeholder Feedback

- KVH Admin Team and content experts
- Employees
- District 2 and Foundation Boards
- Medical Staff
- Community Stakeholders



Net Result

- Clear strategic direction for the next 5-7 years (mission, vision, values)
- A better understanding of the market and environment in which KVH will be operating, collaborating, and competing
- Well defined Focus Areas and Strategies around which the Admin Team—along with content experts and interested stakeholders—will develop a sound business plan (tactics, success measures, targets and timeline)
- A Strategic Plan informed by many stakeholder groups and individuals
- Strong stakeholder engagement and interest in ongoing involvement in the work ahead



KVH Mission & Vision (2 Proposed Revisions)

Mission:

We are a community focused health system providing outstanding, personalized care to improve the lives of individuals and families

Vision:

All ~~Our~~ patients, providers, and employees are proud to recommend Kittitas Valley Healthcare as a ~~their~~ trusted source for personal health and community well-being



KVH Core Values (1 Proposed Revision)

- **Respect:** We recognize the dignity of patients and staff, and treat them with compassion
- **Quality:** We provide excellent, safe care for members of our community in a healing environment
- **Service:** We promote a culture of ~~of "yes,"~~ where patients come first in all we do
- **Transparency:** We are principled, accountable, and do the right thing with openness and honesty
- **Collaboration:** We work as a team, in partnership with the broader medical community, to ensure patients receive the best care



Strategic Priorities (Refer Handout)

Focus Area	Strategic Priority (Revisions to lead with action verbs)
ACCESS	<ul style="list-style-type: none"> • Recruit and retain physicians and advance practice clinicians • Design care models and processes to meet patient needs • Develop a clinic facilities improvement plan • Promote a culture where patients come first in all we do
PARTNERSHIPS & COLLABORATION	<ul style="list-style-type: none"> • Support and develop a cohesive medical community • Invest in the well-being, development, and training of KVH employees • Seek collaborative relationships to expand or improve service offerings and keep care local • Enhance relationships with strategic partners (HD2 and Foundation)
FINANCIAL SUSTAINABILITY	<ul style="list-style-type: none"> • Maintain positive operating margin and strong cash reserves • Be adaptive and responsive in order to grow our market share • Maintain access to capital
COMMUNITY ENGAGEMENT	<ul style="list-style-type: none"> • Promote personal health and well-being in the community • Build community trust and transparency • Be a strong community partner

Next Steps: What we need from you

Tonight:

- Approval of KVH mission, vision, values (w/minor revisions noted)
- Approval of Strategic Focus Areas and Strategies
 - *"How we get there" examples are kick-starters for business planning work ahead*

This Fall (in conjunction w/budget approval):

- Approval of KVH Business Plan (including tactics, success measures/targets, accountability and timeline for strategic plan implementation)



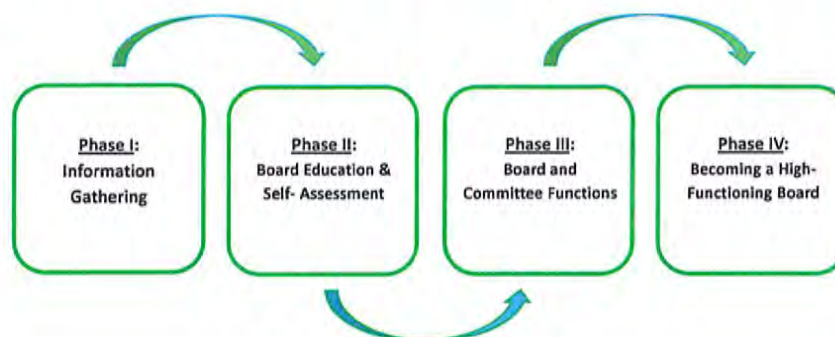
Consultant Engagement Coming to a Close

2 Components:

1. Board Development & Education
2. Strategic Planning



Scope of Work: Board Development & Education



Activities/Deliverables: Board Development and Education

Phase I (January 2017)

- Interview KVH Commissioners to identify issues and individual expectations/outcomes
- Clarify the starting point
- Summarize overall goals, objectives and desired outcomes
- Refine Board Development and Education plan

Phase II (February-March 2017)

- Facilitate initial KVH Board Education and Development session
- Administer Board self-assessment
- Summarize Board self-assessment results and observations

Phase III (April-May 2017)

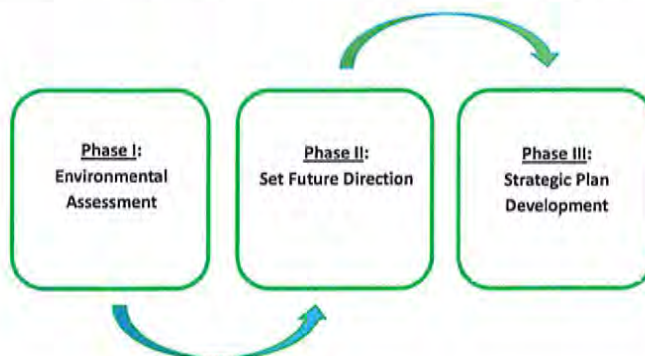
- Review current KVH Board and Committee charters, and other board tools
- Develop overall KVH Board/Committee roles, responsibilities, and decision matrix
- Work with Board and Committee Chairs to enhance leadership practices
- Establish process for setting CEO expectations and performance evaluation

Phase IV (June-July 2017)

- Agree on a six-month, 12-month and two-year plan for ongoing board development
- Develop periodic assessment/follow-up plan
- Complete internal and external assessment to inform Strategic Planning



Scope of Work: Strategic Planning



Activities/Deliverables: Strategic Planning

Phase I (May-June)	<ul style="list-style-type: none"> • Individual interviews with KVH Administrators and other selected KVH stakeholders • Complete more in-depth SWOT analysis and market assessment • Complete organizational assessment in coordination with KVH Administration
Phase II (July-August)	<ul style="list-style-type: none"> • Visioning and strategic goal-setting • Board strategic formulation session: <ul style="list-style-type: none"> ✓ Refine directional strategies (Mission, Vision, Values) ✓ Develop strategies for achieving strategic goals • Prioritize and sequence strategies
Phase III (September)	<ul style="list-style-type: none"> • Scenario planning session to test potential strategic alternatives • Draft "straw man" strategic plan • Strategic plan endorsement



We encourage your feedback

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August 24, 2017 Board Packet Clippings/Information

<u>Pages</u>	<u>Title</u>
23-24	KVH Pharmacy Now Open for Public
25	KVH Passes Resolution to Borrow \$13.5 Million
26	Free Solar Eclipse Glasses Available at KVH Facilities
27	36th Annual Rodeo Barbecue to be held at KVH
28-29	Ouchless ER Efforts in full swing at KVH



KVH Pharmacy Now Open for Public

8/1/2017

KVH Pharmacy has received certification as a community pharmacy from the Washington State Department of Health. Previously, the pharmacy was certified only as a hospital pharmacy. This limited the patient population for which prescriptions could be filled to individuals who were currently receiving care at KVH Hospital.

Now, anyone may choose to have their prescription sent to KVH Pharmacy, regardless of where they are being seen. The pharmacy will remain located inside KVH Hospital, with a new outpatient window to serve the public.

With the expansion of services, KVH Pharmacy will be the only pharmacy in Central Washington that is open to the public 24 hours a day, 365 days a year.

“This is an added convenience for patients, especially for those who are leaving the hospital,” said Rhonda Holden, Chief Ancillary Officer for Kittitas Valley Healthcare. “If someone has recently experienced a hospital stay or undergone a surgery, it can sometimes be difficult for them to easily get from place to place. Having their medications before they leave eliminates one extra errand.”

Patients will also have the ability to opt into a free text notification service to let them know when prescriptions are ready to be picked up or need to be refilled.

For more information about KVH Pharmacy,
please call (509) 925-8484.

24 hour pharmacy at KVH Hospital



KVH Pharmacist Sal Carmago

Convenient

Located in the hospital,
we're just steps away
from most clinics.

We're open 24 hours a
day, seven days a week!

*Open all day,
every day.*

Connected

Sign up for **text alerts**
and be notified when
your prescription is
ready to be picked up
or needs to be refilled.

KVH passes resolution to borrow \$13.5 million

Money will help hospital preserve cash reserves

BY MATT CARSTENS
staff writer

The Kittitas County Hospital District 1 Board of Commissioners passed a resolution Thursday approving a debt issuance allowing the hospital to issue revenue bonds in the amount of \$13.5 million.

The money will provide funds for upcoming capital projects, while at the same time allow KVH to maintain cash on hand. Some of the projects affected include the transition to the new electronic health records

system, equipment upgrades and replacements, and facility projects.

The hospital expects the interest rates to be at 3.09 percent for the tax-exempt portion of the bond, around \$12.5 million, and 4.21 percent for the taxable portion — about \$1 million, according to KVH Community Relations Director Amy Diaz.

The bonds will be paid semi-annually on June 30 and Dec. 31, beginning on Dec. 31, 2017, and will mature no later than Aug. 31, 2027, according to the resolution.

Elizabeth Allgood said the borrowing helps preserve cash reserves in the event of paying interruptions, as well as taking advantage of low interest rates.

"We have a very strong balance sheet, and with this borrowing, we're also maintaining that very strong balance sheet," Allgood said.

Despite the debt to equity jumping up, Allgood said they're still in a strong position at 24 percent.

"We have virtually no debt," Allgood said. "It's important for us if we have this opportunity to preserve the cash that we have, in case of these other disruptions. ... We're able to do it because we're strong."

Diaz said this type of action should be considered a normal course of business for the hospital. The 2016 operating revenue for KVH was just below \$69.7 million.

The hospital board in December agreed to purchase a new electronic health records system from Cerner, which will cost approximately \$9 million spread out over seven years. That total includes the cost of implementation, maintenance and remote hosting. The rollout date is scheduled for Feb. 12, 2018.

KVH officials have said the cost of the new system should cost the same as maintaining the current system, based on no additional expenditures.

CALENDAR

Submit events to the Daily Record at www.dailyrecord.com. Events in this column are listed on a space-available basis. Times, dates and locations are subject to change.

TODAY, AUG. 1

- Children's Story Time, 10:30 a.m., Roslyn Public Library, 201 S. First St., Roslyn
- Kittitas County Master Gardener plant and pest clinic, 11:30 a.m.-2:30 p.m., Armory building, the corner of Seventh Avenue and Poplar St., Ellensburg
- Ellensburg Downtown Rotary Club, 5 p.m., Rodeo City Bar-B-Que, Ellensburg
- Overeaters Anonymous, 6:30 p.m., Ellensburg Community of Christ, 306 N. Anderson St., Ellensburg
- Kiwanis Bingo, 6:30 p.m., Red Lion Hotel, Ellensburg
- National Night Out sponsored by the Cle Elum-Roslyn-South Cle Elum Police Department, 5 to 7 p.m., skate park on West Second Street, Cle Elum
- Ellensburg National Night Out, 6-8 p.m. at the Ellensburg Police station, 100 N. Pearl St.

WEDNESDAY, AUG. 2

- Ellensburg School Board Special Meeting, 9 a.m., Palace Cafe, 323 N. Main St., Ellensburg
- Congressman Reichert staff office hours, 10 a.m. to 2 p.m., Kittitas County Courthouse, 205 W. Fifth Ave., Room 108, Ellensburg
- Job Club, 12:30 p.m., WorkSource, 510 N. Pine St., Ellensburg
- Hospice Friends Volunteer Training, 1 p.m., Hospice Friends, 302 S. Main St., Ellensburg
- Summer Reading Picnic and Touch-the-Truck, 1 p.m., Roslyn Public Library, 201 S. First St., Roslyn
- Wisdom for Aging Well, 6 p.m., CWU Continuing Education, Barge Hall Room 204, CWU
- Masonic Stated Communication, 6:30 p.m., Cle Elum St. Thomas Lodge No. 139, 305 E. First St., Cle Elum
- Adult Children of Alcoholics and Dysfunctional Families, 6:30 p.m., 306 N. Anderson St., Ellensburg

THURSDAY, AUG. 3

- Roslyn Library Book Club, 6 p.m., Roslyn Public Library, 201 S. First St., Roslyn
- Celebrate recovery, 6:30 p.m., Mercer Creek Church north building, Ellensburg

FRIDAY, AUG. 4

- First Friday Coffee Club, 9 a.m., 901 E. Seventh Ave., Ellensburg
- In Motion art exhibit Opening Reception, 5 p.m., Roslyn Public Library, 201 S. First St., Roslyn
- Three Days at Standing Rock, 5 p.m., John Ford Clymer Museum and Gallery, 416 N. Pearl St., Ellensburg

BIRTHDAYS

Send birthday announcements before noon the day before the birthday. Just call 925-1414 x249 or email newsroom@kvnnews.com

TODAY, AUG. 1

- Rose Harrig
- Tom Hoover
- Andrea Paris
- Courtney Rogers
- Dan Wilkowski
- Jennifer Hartnett
- David Hartnett
- Daniel Hartnett

Mount Rainier view



Mount Rainier sits in full display on a clear summer day from Mailbox Peak on Saturday.

TONY BURR / DAILY RECORD

LOCAL DIGEST

No one hurt when dog bites man, man fires gun

A man fired a pistol Monday at two dogs who attacked his dog in Ellensburg on Monday evening. The man fired about five shots into the ground at 7 p.m. after a neighbor's two dogs broke free and attacked his dog on West 13th Avenue in Ellensburg, according to the Ellensburg Police Department.

No people or dogs were shot in the incident. One of the dog owners was bitten on the hand, EPD Capt. Dan Hansberry said. The dog owner who fired the rounds will face charges for firing a firearm in city limits. The dog who bit someone has been impounded by the Ellensburg Animal Shelter.

Man who was lost in woods dies of heart ailment

YAKIMA — A 61-year-old Yakima man who went missing in late June in the forest east of Chinook Pass died last week as a result of heart problems, the Yakima Herald-Republic reported.

Patrick Frawley had been in and out of the hospital more than once since he was hospitalized in late June after he crashed his motorcycle and spent several days in the woods, said Amanda Lockwood, a friend of Frawley's. His traveling companion, 20-year-old Kaylean Johnson of Union Gap, was

missing in the woods for about a week before she was rescued.

Frawley died Monday, July 24, at Virginia Mason Memorial hospital.

Frawley had suffered heart problems for many years, Lockwood said. That's one reason he took the camping trip that eventually led to the motorcycle crash, she said.

"Unfortunately his health was part of the reason they went camping," Lockwood said. "He knew this would be his last trip. This was his last summer."

After Frawley's motorcycle crashed, the two spent the night in the woods before Johnson went to look for help. Frawley initially stayed at the makeshift campsite because of his health problems, but after a couple of days, he left to get help.

He was eventually found on State Route 410 near Whistler Jack Lodge and ended up in the hospital.

Eight days after the crash, Johnson was found 21 miles west of the search base.

Bothell men injured in vehicle rollover

Two Bothell men were injured after striking a Jersey barrier and rolling Monday on Interstate 90 at Easton.

Anthony Flor, 18, was driving a 2007 grey Jeep Wrangler westbound at 6:40 a.m. when the vehicle struck the Jersey barrier, according to the Washington State Patrol. Flor

overcorrected and the vehicle left the road going through a cable barrier, rolling and coming to rest on Kachess Dam Road and Sparks Road.

Peter Jones, 18, also of Bothell was a passenger in Flor's Jeep. The two were injured and taken to Overlake Hospital, according to the WSP.

The cause of the crash is suspected to be Flor falling asleep while driving and he faces charges of second-degree negligent driving, according to the WSP.

Ellensburg band Cobrahawk playing at the Central Washington State Fair

YAKIMA — Ellensburg band Cobrahawk, which took first place in the Yakima AppleJam Battle of the Bands on July 4, has been signed to open for Smash Mouth at the Central Washington State Fair.

The band will perform at 6:45 p.m. Sept. 27 at the Central Washington State Fair. The fair runs Sept. 22 through Oct. 1 in Yakima. Cobrahawk won 8R.1 The "Burg KCWU's battle of the bands 'Burgstock IV' in 2016 and was invited to play Chinook Fest, where members wrapped up the show to a huge crowd. Cobrahawk's first album, "Vindictive," was released on March 18.

Members are Devin Duncan, Lakyn Bury, Nat Nickel, Andrew Burr and Jeff Gerrer. The hard rockers

got \$1,000 for winning the group competition along with a slot playing to the crowds at this year's fair.

General admission bleacher seats for the Smash Mouth concert, and all the entertainers in the U.S. Cellular Concert Series, are free with admission to the fair. However, a limited number of reserved seats are available for purchase for all performances.

Reserved tickets for Smash Mouth are \$24 and \$18. They can be purchased through the State Fair Park Box Office, all TicketWest outlets, www.ticketwest.com and charge-by-phone at 800-325-7328 (SEAT).

Reserved seat tickets do not include fair admission. Also appearing at this year's fair are Mark Chesnut, Leann Rimes, Montgomery Gentry, Williams and Ree, John Kay and Steppenwolf and En Vogue. For more information, visit www.fairfun.com.

Cougar expert talking at Hal Holmes Aug. 14

Washington Department of Fish and Wildlife carnivore research scientist Brian Kertson is the August guest speaker for the Kittitas County Field and Stream Club meeting at 7 p.m. Aug. 14, at the Hal Holmes Center, according to a news release.

Kertson will discuss cougar ecology and their behavior in Washington's

wildland-urban landscapes. He has studied cougar behavior in Washington for several years, and looks at how cougars use these environments, according to the release. Kertson said cougars spend more time in residential areas than the public realizes, about 17 percent of their time.

The talk is free and open to the public.

Big military exercise to last for 2 weeks

SPOKANE (AP) — A big military air war exercise began Monday across the Pacific Northwest.

More than 3,700 military personnel from 30 countries are involved. The Spokesman-Review said the two-week war game will take place across the entire state. Airmen and soldiers will be airdropping paratroopers and supplies, setting up remote airfields, accomplishing medical evacuation missions and conducting aerial refueling.

Fairchild Air Force Base in Spokane and Joint Base Lewis-McChord near Tacoma will play central roles in the Mobility Guardian exercise, along with McAllister Field, the Yakima Training Center and the Moses Lake area.

The exercise will use the Air Force's many types of aircraft: tankers, fighters, cargo and bombers.

In all, about 90 aircraft will be used in the exercise.

Staff and wire reports

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1640192

25

Free Solar Eclipse Glasses Available at KVH Facilities

Ellensburg, Wash. (August 4, 2017) – Kittitas County will observe a partial solar eclipse on the morning of Monday, August 21. Between August 10 and August 21, a limited number of solar eclipse glasses will be available free of charge at reception areas of Kittitas Valley Healthcare facilities.

In our area, there will never be a safe viewing time without eclipse glasses or an indirect viewing method like a pinhole projector. Looking directly at the sun without eye protection can cause serious eye damage or blindness. Regular sunglasses are not strong enough to protect an individual's eyes.

Solar eclipse glasses that meet international safety standards can allow users to safely view the rare event.

Free glasses will be available on a first come, first served basis, beginning at 8 a.m. on Thursday, August 10, and continuing until supplies are exhausted. Most KVH facilities are open Monday through Friday from 8 a.m. until 5 p.m. Extended hours facilities include KVH Hospital, which is open 24-hours a day, and KVH Urgent Care – Cle Elum, which is open from 10 a.m. to 10 p.m. daily.

It is important to remember that solar eclipse glasses are not powerful enough to protect an individual's eyes from magnified sunlight. Eclipse glasses should not be used with telescopes, cameras, binoculars, or other optical devices.

For more information about the solar eclipse, visit eclipse.aas.org or eclipse2017.nasa.gov. For answers to eye safety questions, contact your eye care professional.

###

36th Annual Rodeo Barbecue to be Held at KVH Hospital on August 23

Ellensburg, Wash. (August 10, 2017) – The 36th annual Kittitas Valley Healthcare rodeo barbecue will be held on Wednesday, August 23 between 11:30 a.m. and 1:30 p.m. The event is recognized by many local residents as the unofficial beginning of the Kittitas County rodeo season.

The main dish is a choice of barbecue pork ribs or wild Alaskan salmon. Side dishes include Old Settlers' baked beans, fresh fruits and salads, granny dinner rolls, and ice cream bars. A variety of beverages are also available.

JP Ultimate Entertainment will perform live country western music during the annual barbecue. The Ellensburg Rodeo 2017 Royal Court will also be present. Flower arrangements will be raffled off during the meal.

Ticket prices are \$10 for general admission, \$9 for seniors or family members of KVH employees, and \$8 for children age 12 and under. Tickets may be purchased at the barbecue or in advance at the front desk of KVH Hospital. The barbecue is held in the north parking lot of KVH Hospital.

Please join KVH in celebrating the rodeo season by attending the 36th annual rodeo barbecue on August 23.

###



MARINERS LOSE LATE

Seattle tried to stage a comeback in the eighth inning, but ended up losing to the Angels 6-3.
Sports, Page A5

COMMUNITY CENTER

Ellensburg City Council reaches out to seniors to discuss the YMCA community center proposal.
Local, Page A3



DAILY RECORD

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Good afternoon
Friday
August 11, 2017
75 cents

Ouchless ER efforts in full swing at KVH



Ellensburg High School student Lucy Beck sketches out a cow on the wall of the new 'ouchless ER' room at KVH, which tries to create a distracting environment for children who need emergency medical services.

Goal is to make experience easier for children

BY MATT CARSTENS
staff writer

A visit to the emergency room can be a traumatic experience. Pairing that with a child's point of view can result in bad memories that can last a lifetime.

To combat that possibility, KVH ER Nursing Director Dede Uley is leading the charge alongside the Ellensburg Downtown Rotary in transforming part of the KVH Emergency Room into an "ouchless ER." In other words, a space that's not quite as threatening as a regular ER could potentially be to a child, filled with distractions and other methods used to make the best out of a bad situation.

The idea was brought forward by KVH CEO Julie Petersen, who had experienced a similar concept at her previous hospital in Prosser. Uley



The emergency department at KVH Hospital in May. KVH is working on an "ouchless ER" for children with a focus on environment, equipment and education.

looked up what an ouchless ER concept looked like, and started doing research by visiting and calling hospitals with similar environments in bigger markets, like Seattle Children's Hospital.

"My goal moving forward is hopefully to make children and adult experiences even better," Uley said.

TECHNIQUES

When it came to designing KVH's version of the ouchless ER, Uley focused on three areas: Environment, equipment and education.

Uley said the environment plays a large factor in a child's experience in the emergency

room, which can often be filled with scary-looking machines in a sterile, intimidating room. The hospital hired a Ellensburg High School student Lucy Beck to paint the walls in the area around one of the emergency department's nine beds. Her art teacher at EHS recommended her, and when she got the call she was on board.

"What's on there is amazing, really embraces the Northwest," Uley said. The art has animals and an Ellensburg farming scene, and Uley said the plan is to expand the art beyond just one bed, since it can't be guaranteed the bed will be used for

FUNDRAISER PLANNED

The annual Cattle Baron's Champagne Brunch during Labor Day weekend this year will support the KVH ouchless ER. The event will be from 8-11 a.m. on Monday, Sept. 4, at Rodeo City BBQ at 204 N. Main St. in Ellensburg. Tickets are \$30 a person and include music, entertainment, and a buffet full of beef, smoked ham, blueberry french toast, egg dishes, breakfast potatoes, pastries, biscuits and gravy, rolls, fruit, juices and coffee.

The event is sponsored by local businesses, which have all donated \$500 a piece, which the KVH foundation will match up to \$5,000. Tickets for the event can be purchased at the Old Mill Country Store, Fitterer's Furniture or at Rodeo City BBQ. For more information on the event, call Jim Ridgway at 509-899-0477.

a child all the time. KVH is also having a local woodworker build a cabinet to encase some of the equipment that might be scary to a young patient. Beck also is designing a coloring book which goes hand-in-hand with the themes from the art on the walls.

More KVH | A6

Kittitas County to get state funding boost

Lobbying leads to increase in state PILT

BY DAILY RECORD STAFF

Kittitas County and other Eastern Washington counties will see a boost of state funding next year thanks to a coalition of groups that sought compensation for state land.

Local officials have been seeking a larger share of payment in lieu of tax funding for several years for Washington Department of Fish and Wildlife land, according to a news release from Kittitas County. Because the lands are managed by the state for habitat and recreation, local governments are unable to collect local property tax for government services and schools.

This year, the Legislature agreed to increase the payments statewide by a little more than \$1 million per year beginning in 2018. Prior to this year, the payments had not increased in the state's budget since 2009.

Kittitas County Commissioner Paul Jewell, who helped lead the lobbying effort, said the additional funding is a great start.

The county will continue to ask for more funding, he said. The state needs to keep its promise to taxpayers and provide full funding to counties for the land it purchased for the Department of Fish and Wildlife. "That is a disparity because these lands were bought for the benefit of all," he said. "So basically the residents of Kittitas County are paying the freight so that everyone in Washington state can benefit from these purchases and that is just simply isn't fair."

KITTITAS COUNTY

Kittitas County, which has the most acres of eligible property in the state, was the biggest recipient of the additional funding with a new total annual payment of \$382,638.

More FUNDING | A6



INDEX

Outdoors	B1
Events calendar	A3
Comics	B5
Obituary	A6
Sports	A5

Local news serving Ellensburg, Cle Elum, Roslyn, Kittitas, Easton, Sunnyside and all of Kittitas County.



50170 00051 1

County jobless rate a record low for June

Hay industry, construction contribute to gains

BY DAILY RECORD STAFF

Kittitas County's unemployment rate dropped to its lowest rate for the month of June since the electronic record keeping system was implemented 27 years ago.

according to a news release from the state Employment Security Department.

The county's unemployment rate was 4.5 percent in June, a drop from 5.4 percent in June of 2016. This continued a trend that has seen the unemployment rate drop steadily this year, starting from 7.3 percent in January. The rate fell even though state

employment numbers dropped because of the decreased student employment at Central Washington University during the summer.

The size of the county's civilian labor force shrank by 1.5 percent over the past year, but the number of unemployed residents dropped far more dramatically (18.5 percent).

The largest year-to-year job gains were seen in wholesale trade (9.8 percent), Professional and business services (9.4 percent) and mining/logging/construction (6.2 percent).

The largest share of jobs in wholesale trade in Kittitas County are tied to firms engaged in the wholesale distribution of timothy hay, according to the report.

28

THE SCOREBOARD **now operating as** **100.5 FM**

BASEBALL

AMERICAN LEAGUE

Table with columns: Team, W, L, Pct, GB, WCLB, 15B, 5B, Home, Away. Includes teams like Boston, New York, Tampa Bay, Baltimore, Seattle.

Table with columns: Team, W, L, Pct, GB, WCLB, 15B, 5B, Home, Away. Includes teams like Cleveland, Minnesota, Kansas City, Detroit, Chicago.

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Today's Games: Tampa Bay at Cleveland 4:05 p.m., Chicago White Sox at Houston 4:10 p.m., Baltimore Orioles at Oakland 4:10 p.m., Cleveland Indians at Kansas City 4:10 p.m., Minnesota Twins at Detroit 4:10 p.m., Houston Astros at St. Louis 4:10 p.m., Pittsburgh Pirates at San Diego 4:10 p.m., Los Angeles Angels at Seattle 4:10 p.m., San Francisco Giants at Washington Nationals 4:10 p.m., California Angels at Miami 4:10 p.m., Detroit Tigers at Milwaukee Brewers 4:10 p.m., Arizona Diamondbacks at San Diego 4:10 p.m., San Diego Padres at Los Angeles 4:10 p.m.

TWINS/BRUWERS?

Table with columns: Minnesota, AB, R, H, E, W, L, Pct, GB, WCLB, 15B, 5B, Home, Away.

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OBITUARY

WILMA MARGARET PHILLIPS

Wilma Margaret Phillips went home to be with the Lord surrounded by her family and holding her husband's hand on July 30, 2017. She came into the world on a cold November day in Boulder, Colorado in 1940. She was so tiny that they had to use a hankie for a diaper. Wilma was a small package with a big heart. Her friend Audrey Bresko stopped to see Wilma and said "Wilma was so generous". What a lovely thing to be known for! She certainly was a Giver! If you needed food she would give it - lots of it. She was an awesome cook. People were always asking for her recipes for macaroni and potato salad. If you needed a place to stay - she gave you a room above the Fairway - no questions asked. She was generous with her words - always saying she loved us - moochie moochie or I love you more. We never had to wonder if she was proud of us or if she loved us. Wilma grew up in the Redwoods of California and her parents owned restaurants and ranches. She and her sisters worked in the restaurant and we loved to hear her

colorful stories of life in the 50's when your parents owned the local diner. She then graduated from Anahy High School in Sebastopol and did 2 years of community college in Santa Rosa. In Boulder, Colorado in 1940. She was so tiny that they had to use a hankie for a diaper. Wilma was a small package with a big heart. Her friend Audrey Bresko stopped to see Wilma and said "Wilma was so generous". What a lovely thing to be known for! She certainly was a Giver! If you needed food she would give it - lots of it. She was an awesome cook. People were always asking for her recipes for macaroni and potato salad. If you needed a place to stay - she gave you a room above the Fairway - no questions asked. She was generous with her words - always saying she loved us - moochie moochie or I love you more. We never had to wonder if she was proud of us or if she loved us. Wilma grew up in the Redwoods of California and her parents owned restaurants and ranches. She and her sisters worked in the restaurant and we loved to hear her

asked what she missed when they sold, she'd say the "People". They made many lifelong friends there. Always the Giver became the Receiver - She was so grateful for the outpouring of love from her friends here and wanted me to make sure that they were thanked for the bringing of food, the calls and offers of help, visiting and sharing of memories while she was ill. Wilma is survived by her husband of almost 48 years, R.H. (Butch) Phillips Jr., Sister-Bonnie Chambers, Brother-Ralph (Erin) Reasoner, Son - R.B. Buser(Rosa) Phillips III, Daughter-Kelly(Rick) Winters, Step-daughters-Tammie Phillips, Pam(Bob) Bauer, Grandchildren-Taylor(Julia) & Devon Winters, Holly, Kirsten & Kaie Phillips, Kelsey (Jamie) Piper, McKenna, & Rebecca Laird, Great Grandchildren-Paylyn and one on the way. A celebration of Wilma's life is planned for some time in September. In lieu of flowers, donations can be made to Hospice Friends in her name. Momma - love you moochie-moochie! We can almost hear her say "No I love you more!"

LATE WEDNESDAY

DOCKETS, ODDS/BACKS

Table with columns: Los Angeles, Atlanta, Chicago, Kansas City, Tampa Bay, Houston, Cleveland, Detroit, Minnesota, Baltimore, Oakland, St. Louis, San Diego, San Francisco, Seattle, Washington, Arizona, Colorado, Philadelphia, Cincinnati, Pittsburgh, Cleveland, Detroit, Chicago.

DEATH NOTICES

ROBERTA M. SAVILLE

Roberta M. Saville, 79, died Aug. 8, 2017 in Ellensburg. Saville was born June 3, 1938 in LaJunta, Colorado. Services for Saville will be held at First Lutheran Church in Ellensburg at 11 a.m. Friday, Aug. 18 with Pastor Dennis Hickman officiating. Burial will be at I.O.O.F. Cemetery after the service. A full obituary will follow later. Arrangements by Steward and Williams Tribute Center of Ellensburg.

TERRI LEE THOMAS

Terri Lee Thomas, 54, of Ellensburg died August 8, 2017. Terri was born in Renton WA on July 9, 1963 to Richard and Trudy Revet. The obituary will run on a later date with the service details. Arrangements by Steward & Williams Tribute Center.

Ask Your Pharmacist



Question

I take methotrexate for arthritis. Why does my doctor also want me to take folic acid?

Answer

Scott Doster, Methotrexate (MTX) is a first-line treatment for rheumatoid arthritis. It is an immunosuppressive drug and is considered a disease-modifying antirheumatic drug. Taking MTX can cause folic acid deficiency, which can contribute to mouth sores, anemia, and low iron. Replacing folic acid can help alleviate symptoms and make it easier to continue taking your MTX. MTX usually takes in a once-weekly dose. It used to be thought that the accompanying folic acid should not be taken on the same day, but that is an outdated recommendation. For the use the recommended dose is 5 to 7 mg per week. A good way to think of this dose is to take one 5 mg tablet a week. This will provide a weekly total of 5 mg (not 5 mg per 5 days). (But not 5 mg 5 times per 5 days) per week at two much less acid dose to the same effect.

Free Prescription Delivery

Advertisement for Health Mart Pharmacy, featuring a logo and text about prescription delivery services.

Sounders / from AS

Seattle answered its biggest question by signing Dutch right back Kelvin Leerdam and added midfield depth by signing Spanish midfielder Victor Rodriguez and trading to acquire veteran Lamar Neagle. The schedule is in Seattle's favor. The Sounders play four of the next five at home - the only road trip is to Vancouver - and seven of the final 11 regular-season matches.

MAKING MOVES

The secondary transfer window closed this week and there was a flurry of moves as teams set their rosters for the final stretch of the regular season. While a number of teams made relatively minor moves at the deadline, most notable was the major overhaul by last place D.C. United as it looks toward next year and the opening of its new stadium. D.C. United sent away Neagle and former MLS defender of the year Bobby Boswell to Atlanta, but pulled in young Bolivian

OPEN CUP (DATE)

Sporting Kansas City will have a chance at its third U.S. Open Cup title this decade after outlasting San Jose 5-0 on penalty kicks in the semifinals after the sides played to a 1-1 draw. Sporting Kansas City will host the final after winning the title in 2012 and 2015. Their opponent for next month's final will be decided next week when FC Cincinnati hosts the New York Red Bulls. Cincinnati has already knocked off MLS sides Columbus and Chicago earlier in the tournament and advanced to the semifinals with a 1-0 win over fellow USL club Miami FC.

KVH / from A1

Donations are coming in for different things like Matchbox cars and crayons. Utley said when she went to look at the emergency room's current crayon supply, all she found was black, orange and yellow - not necessarily the most inviting art set. She hopes to have individual packets of crayons kids can take home, similar to what is seen at family restaurants. On the medical side, equipment like Buzzy pain blockers can be used in conjunction with 1-1

Funding / from A1

Kittitas County has 170,605 acres of land owned by WDFW, which are eligible to receive payment in lieu of tax funding. As a result of the increase, Kittitas County's general fund will receive an additional \$49,136 per year, the county road fund \$32,575, and the flood control zone district \$2,411. Area school districts will benefit with Damman receiving an additional \$2,601, Easton \$2,180, Selah \$2,814.55, Tharp \$18,582, Ellensburg \$71,269, Kittitas \$41,278, and Cle-Elum-Roslyn \$253. Several fire districts also will receive a small increase as will the hospital districts, with Hospital District 1 receiving an increase of \$12,456. In 2016 alone the county calculated the PILT amount owing on WDFW lands as \$633,090, with the Legislature appropriated

Seattle's unusual \$25 gun tax upheld in state court

SEATTLE (AP) - The Washington Supreme Court upheld Seattle's so-called "gun violence tax" against a challenge from gun rights groups Thursday, leaving the city as one of the only places in the country that taxes the sale of firearms and ammunition to raise money for gun-violence research. In an 8-1 decision, the justices ruled that the levy fell within the city's taxing authority and its primary purpose was to raise revenue for "the public benefit." The tax, which took effect

LOBBYING EFFORT

Kittitas County, local legislators, the Washington State Association of Counties, the Nature Conservancy, and other rural counties and environmental groups worked alongside WDFW to raise the awareness of the underfunded program for local governments. The coalition held a series of meetings in the summer and fall with elected legislators and state budget writers and advocated in Olympia throughout the session for higher funding and program reforms. State Rep. Matt Manvello, R-Ellensburg, who worked with the coalition, said the funding is progress, but work will continue. "I personally won't be satisfied until our county citizens receive everything they're owed," he said in the release.

Advertisement for Umpqua Bank, featuring a woman's face and text: "I'VE BEEN AROUND THE BLOCK. MOST OF THEM, ACTUALLY. Laurie Armstrong • 509-933-6184 Home Loan Officer NMLS #120778 Laurie.Armstrong@UmpquaBank.com 300 N. Pearl Street Suite 101, Ellensburg"

Advertisement for Coldwell Banker Real Estate, featuring a grid of agent photos and text: "YOUR COLLEGE-BANKER KITTITAS VALLEY REALTY AGENTS are EVERYWHERE! www.EllensburgRealty.com"

To the Editor:

With so many changes in healthcare happening and on the horizon, it is more important than ever that we take the time to define our vision for our local community hospital.

Last year, the KVH Board of Commissioners began a strategic planning process to guide the direction of our hospital and healthcare system. Over the past six months, we have gathered input from KVH employees, local medical providers, community focus groups, the hospital district that covers Upper Kittitas County, and The Foundation at KVH. We have distilled this information, along with our own thoughtful assessment as Board members, into a draft of a plan for the future.

KVH has already made important progress on a number of elements of the draft plan. Services are expanding, new providers are coming aboard, technology is being upgraded, and all of the KVH clinics are accepting new patients. Moreover, our very strong financial position means that there is no need in the foreseeable future to seek additional tax revenue to support KVH initiatives. We believe that this process assures the continued progressive advancement of our independent local hospital and healthcare system.

We'd like additional input from the community to enable us to strengthen our endeavors and meet the needs of our citizens. We encourage you to review and comment on our draft strategic plan. You will find us at the Ellensburg Farmer's Market on August 19th and the Roslyn Farmer's Market on August 20th. You can also find details of the plan and submit feedback online at www.kvhealthcare.org/planning.

When the only certainty in medicine is uncertainty, it's time to set our own vision for a thriving future.

Liahna Armstrong

President, KVH Board of Commissioners

Kittitas Valley Healthcare Board of Commissioners Planning Calendar 2017

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Regular Meeting	26 th 5pm	23 rd 5pm	30 th 5pm	27 th 5pm	25 th 5pm	22 nd 5pm	27 th 5pm	24 th 5pm	28 th 5pm	26 th 5pm	30 th 5pm	21 st 5pm
Standing Items	Swearing in of New Board Conflict of Interest Annual CEO Evaluation	Compliance Plan and Policies Orientation of New Board Members Update Board Ed/Dev Plan			Acceptance of Financial Audit	Annual update of Strategic Plan		Approve Budget Assumptions (Operating & Capital)	Board Self-Evaluation Approve Annual Strategic Plan Update	Plan Board Retreat	Approve 2018 Operating and Capital Budgets Approve 2018 Board Committee Charters	Update 2017 Operating Budget Election of 2018 Officers
Presentation Subject to Change	Emerging Topic	Emerging Topic	Emerging Topic	Emerging Topic	Financial Audit & Cost Report DZA Emerging Topic	SBIRT Communication Dr. Merrill-Steskal Emerging Topic	Kittitas County Health Dept.- Rankings & Roadmap Emerging Topic	Physician Compliance Foster Pepper or Risk Management Emerging Topic	PHD & Legislative Update AWP/PHD Emerging Topic	Patient Satisfaction Health Streams Emerging Topic	Federal Reform WSHA Emerging Topic	Emerging Topic
EDUCAIOTN AND CONFERENCES		AHA Health Forum Rural Conference Phoenix, AZ 2018-IHI San Francisco	15th-16th WRHA Conf. Spokane		6 th – 10 th AHA Annual Meeting WA DC 15-16th CEO/Trustee Summit Seattle	25 th – 28 th Rural Conference Chelan	27 th – 29 th AHA Leadership Summit San Diego 19 – 20 th AHA Rural Hospital Forum Wash., D.C.		22 nd - Board Risk Man. Education-Spokane 25 th – 27 th WSHA Rural Advocacy Days WA DC State of Reform	12 th – 13 th WSHA Annual Meeting Seattle		
		6 th – 9 th 2018 NRHA Rural Health Policy Institute Washington DC							10 th – 13 th Gov. Institute Leadership CO Springs 27 th – 29 th NRHA CAH Conf. Kansas City, MO			

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Events			3 rd Round- table 29 th Provider Apprec. Dinner 3/28/18: Provider Dinner	Tastes to Treasure Dinner	8 th -12 th Hospital Week & Meal Service CWU Athletic Hall of Fame Boots & Bling	6 th Round- table	18 th Tentative Upper County Roundtable	23 rd KVH BBQ 5 th Kids Grow Farmers' Market	12 th Roundtable TETWP Rodeo Event		11 th Veterans' Day Lunch	11-15 th Tentative Holiday Week Meal Service
Board Finance	24 th 7:30am	21 st 7:30am	28 th 7:30am	25 th 7:30am	23 rd 7:30am	20 th 7:30am	25 th 7:30am	22 nd 7:30am	26 th 7:30am	24 th 7:30am	28 th 7:30am	19 th 7:30am
MEC	18 th 12:30P	15 th 12:30P	15 th 12:30P	19 th 12:30P	17 th 12:30P	21 st 12:30P	19 th 12:30P	16 th 12:30P	20 th 12:30P	18 th 12:30P	15 th 12:30P	20 th 12:30P
QI Council		9 th			15 th		17			TBD		
Foundation Board	24 th 5:30P		28 th 5:30P		23 rd 5:30P		25 th 5:30P		26 th 5:30P		28 th 5:30P	
Compliance		TBD										
Strategic Planning	TBD											
Joint Districts			TBD				TBD				TBD	
Master Facilities	TBD											
HD #2	16 th 6:30pm	20 th 6:30 pm	20 th 6:30pm	17 th 6:30p	15 th 6:30pm	19 th 6:30pm	17 th 6:30pm	21 st 6:30pm	18 th 6:30pm	16 th 6:30pm	20 th 6:30pm	18 th 6:30pm

Emerging Topics:

Compliance & Regulatory Environment
Insurance and Reimbursement
Enterprise Risk
Healthcare Transformation (e.g. population health, IT)
Quality and Safety
Workforce
Board Effectiveness
Community Engagement
Philanthropy (in concert w/KVH Foundation)

Market Developments
Privacy/Security
Consumerism
Medical Staff Relations