



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

November 30, 2017

Supplemental

1. Call Regular Meeting to Order

- **Swearing in of New Board Member, Rich Elliott**

2. Approval of Agenda **

(Items to be pulled from the Consent Agenda) (1-2)

3. Consent Agenda **

- a. Minutes of Board Meetings: October 26, 2017; November 10, 2017 (3-7)
- b. Approval of Checks (8)
- c. Report: Foundation (9)
- d. Minutes: Finance Committee (10)
- e. Minutes: Quality Council

4. Public Comment and Announcements – 5:30 p.m.

5. Presentations: KVH Business Plan Process

6. Reports and Dashboards

- a. Quality – Mandee Olsen (11-14)
- b. Chief Executive Officer – Julie Petersen (15-16)
- c. Medical Staff
 - i. Chief of Staff, Timothy O'Brien MD
 - 1. Medical Executive Committee Recommendations for Appointment and Re-Appointment ** (17)
 - ii. Chief Medical Officer, Don Solberg MD (18)
 - 1. **Wound Care Program**
- d. Finance – Chief Financial Officer - Libby Allgood
 - i. Operations Report (19)
 - ii. Finance Committee Report – Commissioner Liahna Armstrong
 - 1. Authorization of 2018 Budget
 - 2. **Resolution No. 17-19: Surplus Property ** Revised** (20-21)
 - 3. Capital Expenditure Requests (22)
- e. Operations (23-28)
 - i. Vicky Machorro, Chief Nursing Officer
 - ii. Rhonda Holden, Chief Ancillary Officer
 - iii. Carrie Barr, Chief of Clinic Operations

7. Education and Board Reports



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

- 8. Old Business**
 - a. Approval of Board Officers for 2018 ** (29)
 - b. Board Retreat

- 9. New Business**
 - a. 2018 Board Committees: **Revised List** (30-31)
 - b. 2018 Board Calendar ** (32-33)
 - c. Approval of the KVH Compliance Program ** (34-48)
 - d. Approval of Updates to the KVH Code of Conduct ** (49-64)

- 10. Articles and Communication: Additional Articles Added** (65-80)

- 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

- January 4, 2018, Special Meeting
- January 25, 2018
- February 22, 2018

Future Agenda Items

- Musculoskeletal Update



KITTITAS COUNTY PUBLIC HOSPITAL DISTRICT No. 1

BOARD OF COMMISSIONERS' REGULAR MEETING

KVH Conference Room A & B

October 26, 2017

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, Vicky Machorro

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

1. At 5:00 p.m., President Liahna Armstrong called the Budget Hearing to order. The Board members reviewed the 2018 budget with Libby Allgood.

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved Resolution No. 17-13 adopting the 2018 budget.

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved Resolution No. 17-14 authorizing the 2018 regular property tax levy.

President Armstrong adjourned the Budget Hearing at 5:07 p.m.

2. President Armstrong called the regular board meeting to order at 5:07 p.m.

3. **Approval of Agenda:**

President Armstrong requested that a new item be added under New Business on the agenda regarding the slate of Board Officers for 2018. **ACTION:** On motion of Matt Altman and second of Bob Davis, the Board members unanimously approved the agenda as revised.

4. **Consent Agenda:**

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

5. **Public Comment/Announcements:**

None.

6. **Presentations:**

Mandee Olsen presented Safe Catch Awards as follows: Clinical Award was presented to Jeannette Simonton, RN in the Surgical Out-Patient Department, and Non-Clinical Award was presented to Sandra Mani Gomez in the Housekeeping Department.

Mandee Olsen gave a PowerPoint presentation regarding Patient Satisfaction Health Streams data noting that overall Kittitas Valley Healthcare scored very well with patient satisfaction. She reported that staff will be reviewing the data more closely and will be working on ways to improve in all the patient satisfaction areas as well as pain management.

6. Reports and Dashboards:

The Board members reviewed the QI dashboards and summary. Mandee Olsen reported that currently 90% of KVH employees have received the flu immunization.

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved KVH Quality Policy regarding Medical Staff Peer Review.

The Board members reviewed the CEO report with Julie Petersen. Julie introduced Bill Mannewitz, Regional Director for Rehab Visions. Mr. Mannewitz reported that the transition of the KVH physical rehabilitation employees to Rehab Visions has gone quite well. He announced that Joseph Westlake will be the interim Director for the Physical Rehab Department for three months and a permanent Director will be hired as well. Julie reported that the Hospital District No. 2 strategic planning session went very well noting that the hospital district is strong financially and looking to form strategic relationships in the region as well. She announced that there will be a public hearing for the KVH Radio Hill Annex with the City of Ellensburg Planning Commission on November 30. Julie reported that Engineering Director, Mike Severns, will be moving and stepping down from this position on November 17. Randy Kaiser will fill in as Engineering Director until a permanent replacement is hired.

Carrie Youngblood announced that the hospital will be offering employees health insurance and other benefits through the PEBB for 2018. She reported that the employee survey received around 60.28% of employee participation with results being compiled around November 13. She announced that non-union employees will receive a 1.9% wage increase in 2018.

ACTION: On motion of Matt Altman and second of Erica Libenow, the Board members unanimously approved the initial appointments for Brett White, P A-C, Patrick Erley, PA-C, Joanna Carlson, MD, and reappointments for Christopher Hurt, MD, Berhan Ghermay, MD, David Jackson, MD, Timothy O'Brien, MD, Ginger Longo, MD, and Steven Eckhoff, PA-C as recommended by the medical executive committee.

The Board members and Dr. Don Solberg reviewed the Chief Medical Officer report. Dr. Solberg noted that the new KVH Workplace Health clinic has already signed up several businesses that wish to contract with the clinic. He thanked Carrie Barr for getting the NHSC status for the clinics.

Libby Allgood reported financials for September noting that the hospital overall for the month achieved its operating income with a year-to-date operating margin of 2.7%.

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved Resolution No. 17-16 regarding surplus property.

The Board members reviewed the operations report with Vicky Machorro noting that implementation of the Cerner project is a priority for nursing staff. Rhonda Holden reported that the new digital mammography system has been approved and patients will start using digital mammography on October 31. Carrie Barr reported that Wilderness Preparation presentation by Dr. Penoyar, Rob Merkel, PA-C, and Chelsea Newman, PA-C, was a huge success with a record number of community members attending the event.

7. **Education and Board Reports:**

Erica Libenow reported that the WSHA Annual meeting was excellent and she asked the Board members to support AHA's equity pledge to eliminate healthcare disparities for patients.

ACTION: On motion of Erica Libenow and second of Bob Davis, the Board members unanimously approved the support of the AHA Equity Pledge for Kittitas Valley Healthcare.

8. **Old Business:**

None.

9. **New Business:**

a. **Resolution No. 17 -15: Amendment to Employee Pension Trust:**

ACTION: On motion of Erica Libenow and second of Matt Altman, the Board members unanimously approved Resolution No. 17-15 regarding an amendment to the Employee Pension Plan. The amendment will allow the vesting of qualified Physical Rehabilitation employees.

b. **Evaluation of New Board Agenda Format:**

The Board members stated that they liked the new Board agenda format that has been used for the past several months and would like to continue using the format for future Board meetings.

c. **Board Self-Evaluation Process:**

The Board members agreed that they will not conduct the self-evaluation process this year due to their extensive work earlier in the year with Board consultants regarding KVH strategic planning, and vision and mission statements.

d. **Board Retreat:**

After discussing Board Retreat plans and timeline, President Armstrong directed Franki Storlie to schedule a Board Retreat off campus in mid-February 2018.

e. **Slate of Board Officers for 2018:**

President Armstrong suggested the following Board members to serve as 2018 Board Officers: President – Matt Altman; Vice-President Bob Davis; and Secretary – Erica Libenow. It was agreed that the approval of the 2018 Board Officers will be placed on the agenda for the November Board meeting.

10. **Articles and Communication:**

The Board members reviewed the various clippings and correspondence items. At 7:12 p.m., President Armstrong announced that there would be a 10 minute recess followed by a 60 minute executive session regarding personnel and real estate. RCW 42.30.110(b)(g)

At 8:15 p.m., the meeting was reconvened into open session. With no further action and business, the meeting was adjourned at 8:15 p.m.

CONCLUSIONS:

Budget Hearing:

1. Motion passed to approve Resolution No. 17-13 adopting the 2018 budget.
2. Motion passed to approve Resolution No. 17-14 authorizing the 2018 regular property tax levy.

Regular Meeting:

1. Motion passed to approve the Board agenda as revised.
2. Motion passed to approve the Consent Agenda.
3. Motion passed to approve the KVH Quality Policy regarding Medical Staff Peer Review.
4. Motion passed to approve the initial appointments and reappointments as listed above as recommended by the Medical Executive Committee.
5. Motion passed to approve Resolution No. 17-16 regarding surplus property.
6. Motion passed to approve support of the AHA Equity Pledge for Kittitas Valley Healthcare.
7. Motion passed to approve Resolution No. 17-15 regarding an amendment to the Employee Pension Plan.

Respectfully submitted,

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



KITTITAS COUNTY PUBLIC HOSPITAL DISTRICT No. 1
BOARD OF COMMISSIONERS' SPECIAL MEETING
KVH Café Conference Room

November 10, 2017

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

STAFF PRESENT: Julie Petersen, Libby Allgood

The meeting was called to order at 5:30 p.m. President Armstrong announced that the purpose of the meeting was to conduct an executive session regarding real estate and personnel. (RCW42.30.110(b)(g)) At 5:35 p.m., President Armstrong stated that the Board would be in executive session for 45 minutes with action possibly being taken by the Board after the executive session.

At 6:16 p.m., the meeting was convened into open session.

ACTION: On motion of Bob Crowe and second of Matt Altman, the Board members unanimously approved Resolution No. 17-18 concerning the acquisition of real property.

ACTION: On motion of Erica Libenow and second of Bob Crowe, the Board members unanimously approved Resolution No. 17-17 regarding vesting employees in the KVH Pension Plan.

With no further business and no further action taken, the meeting was adjourned at 6:18 p.m.

Respectfully submitted,

Franki Storlie/Bob Davis
Exec. Coordinator/Secretary, Board of Commissioners

DATE OF BOARD MEETING: November 30, 2017

ACCOUNTS PAYABLE CHECKS/EFTS TO BE APPROVED:

#1	AP CHECK NUMBERS	<u>237634-238584</u>	NET AMOUNT:	<u>\$3,131,834.13</u>
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PAYROLL CHECKS/EFTS TO BE APPROVED:

#1	PAYROLL CHECK NUMBERS	<u>80581-80609</u>	NET AMOUNT:	<u>\$36,121.13</u>
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#2	PAYROLL CHECK NUMBERS	<u>80610-80641</u>	NET AMOUNT:	<u>\$41,507.54</u>
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#3	PAYROLL DIRECT DEPOSIT	<u>EFT</u>	NET AMOUNT:	<u>\$970,520.01</u>
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#4	PAYROLL DIRECT DEPOSIT	<u>EFT</u>	NET AMOUNT:	<u>\$1,048,925.64</u>
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	SUB-TOTAL:			<u>\$2,097,074.32</u>
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TOTAL CHECKS & EFTs:				<u>\$5,228,908.45</u>
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Prepared by



 Sharoll Cummins
 Staff Accountant



Foundation activities

Tough Enough to Wear Pink (Breast Cancer) Fundraisers (October) – Two local businesses helped us raise money for the Tough Enough to Wear Pink fund (TETWP) in the month of October. This fund is used to provide free mammogram services for women in need, as well as to provide breast cancer prevention information. For the second straight year, Gard Vintners held "Gard Against Cancer" on Friday, October 20. Gard has indicated they would like to make this an annual event, the third Friday of October. The following week, Grapes and Crepes hosted the first "1 in 8" event. 1 in 8 reflects the number of women who will be diagnosed with Breast Cancer in their lifetime. Both events included live music and drink specials, with a portion of the sales coming back to The Foundation. We are awaiting final totals on these events but would like to thank these businesses for taking an active role in helping The Foundation raise funds for breast cancer awareness and prevention in our community.

Annual Appeal (Ongoing) – Annual Appeal materials we mailed out on October 23 to nearly 2000 homes in our service area. You should have received yours and remember, you can set up monthly deductions via your credit card at this time. As of 11/14/17 we have received \$10,780. The next step in the Annual Appeal process will be an internal campaign for our employees.

2018 Foundation Gala (April 28) – Work has begun on the 2018 Foundation Gala, taking place on April 28. Please mark your calendars now and start recruiting your guest. We would love to see each commissioner have their own table of eight at this year's gathering. The event will be held at the same location as last year. Over the next few weeks we hope to finalize our entertainment and theme.

Foundation Director

As you have probably heard, I will be stepping away from my current role as Director of the Foundation at KVH and transitioning in to my new role of Director of Community Relations at KVH, effective December 11. I have sincerely enjoyed and appreciated my three plus years as the Foundation Director and I thank the KVH Administration, Commissioners, employees, Foundation Board and the community for all of the support and generosity.

We have posted the Foundation Director position and have a recruitment team in place consisting of myself, Julie Petersen, Livier Baldovinos, Connie Dunnington and Cindy Smith. We will work through the recruitment process as quickly as possible. In the meantime, I will work with the Foundation Gala Team, the Foundation Board and the KVH Communications & Marketing team to ensure a smooth transition and a very successful Foundation Gala in 2018.

I look forward to continuing to be a part of the wonderful team here at Kittitas Valley Healthcare and am excited for the new opportunities. I would be remiss if I didn't thank Amy Diaz for her amazing six years of service in this role. She is leaving me with a very strong team and a very warm hand off. Lucky for all of us she isn't going far and will continue to be a great asset to KVH.

Respectfully submitted,

Michele Wurk

Director, The Foundation at KVH

Kittitas Valley Healthcare
Finance Committee Meeting Minutes
October 24, 2017

Members Present: Bob Crowe, Jon Fowler, Julie Petersen, Libby Allgood

Staff Present: none

The meeting was called to order by Bob Crowe at 7:30am.

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

A motion was made to approve the minutes of the September 26th Finance Committee Meeting approved as written. The motion carried.

Libby Allgood presented the September financial highlights. Outpatient volumes were below budget in some key departments resulting in an overall small negative variance in outpatient revenue. Inpatient volumes and revenue were below budget. It was noted that expenses have been managed well with a \$605,631 positive variance in September and \$2,274,915 positive variance year to date.

Libby reported on the 2018 budget process. High level budget assumptions will be presented at the next meeting. Final budget will be presented for approval at the January 4th, 2018 Board of Commissioner meeting.

A surplus resolution was presented for various pieces of mammography equipment. One of the items, a mobile file system, has remaining book value of \$1,372. All other items are fully depreciated. Bob Crowe made a motion to recommend the surplus resolution for Board approval. Jon Fowler seconded the motion. The motion was approved.

Julie led an open discussion on various healthcare finance related topics.

There being no further business the meeting was adjourned at 8:20 am.



QUALITY IMPROVEMENT REPORT – Mande Olsen, BSN RN CPHQ November 2017

Antibiotic Awareness Week November 13th – 19th

Using antibiotics when they are not needed causes some bacteria to become resistant to the antibiotic. Also, antibiotics do nothing to help a viral illness. As part of our continued work with Antimicrobial Stewardship, Julie Hiersche, RN CIC, initiated the CDC campaign to promote Antibiotic Awareness week, November 13th to 19th. Posters were deployed to all clinic rooms, staff were given antibiotic awareness pins and table tents were placed in most public areas. We're hoping for questions from our patients about appropriate use of antibiotics!

Staffing in Quality

Quality is expecting! Our two Process Improvement (Lean) Facilitators will both be on leave through February. In the meantime, we will be welcoming a temporary clerical position to manage some of their operational tasks, while Cerner and other department improvement work is handed off or takes a break. We are anticipating even more opportunities upon their return post Cerner go-live!

We are thrilled to have Amy Diaz permanently join the Quality department December 10 as the Senior Quality Analyst. Since she started at KVH in 2011, she has held a dual role of Director of Community Relations and data analyst. With the continued growth of both community relations activities and data reporting requirements, the role has grown into two positions. Amy is pleased to be able to focus on the data analyst role, which is more suited to her educational background. She holds a bachelor's degree in mathematics and a master's degree in chemistry. Prior to joining KVH, she was the assessment coordinator for Kittitas County Public Health Department. We've already begun planning the opportunities with Amy joining us for expanding both our internal and external reporting, as well as resourcing improvement work for our care providers.



Quality Improvement Dashboard Summary

Summary of Areas Meeting Goal or Showing Improvement:

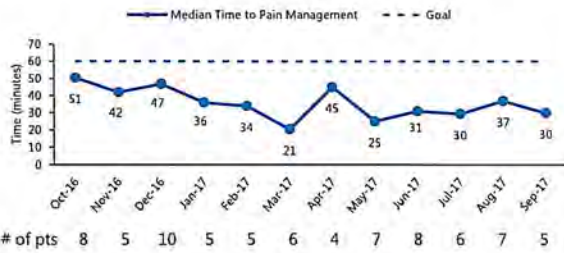
- Median Time to Pain Management (Long Bone Fracture) at goal for 11 months. This measure will be retired by CMS in 2018.
- Sepsis Bundle 100%.
- Stroke Dysphagia Screening 100%
- Exclusive Breastfeeding up to 88%!

Summary of Improvement Opportunities:

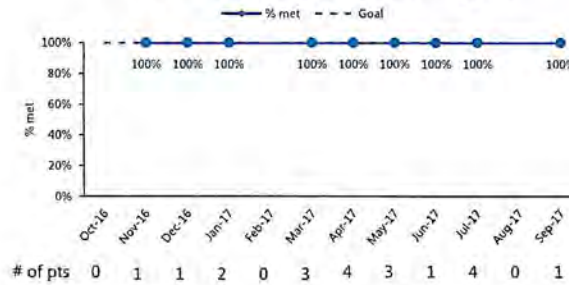
- Although no patients eligible for Stroke IV Thrombolytics, ED Special Projects Coordinator, Cody Staub, RN, and QI RN, Claudia Eattock, have initiated an A3 to identify ways to become even more reliable in this process.
- 3 falls. The Falls team met this month and continues to find innovative approaches to predicting and preventing falls.
- One Surgical Site Infection (appendectomy).
- We now have 3 months Pain Medication Reassessment measure on the dashboard. We continue to find ways to assist nurses with this process.
- Continuing to see low numbers of incident reporting across the organization.

QI Council

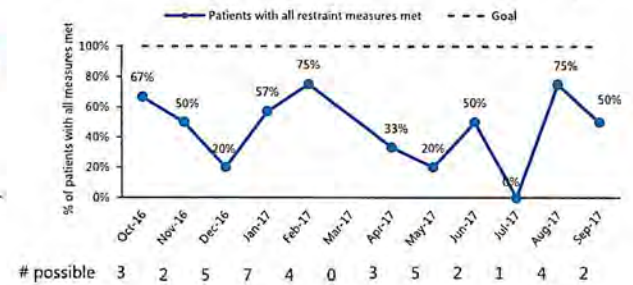
Median Time to Pain Management (Long Bone Fracture) ↓



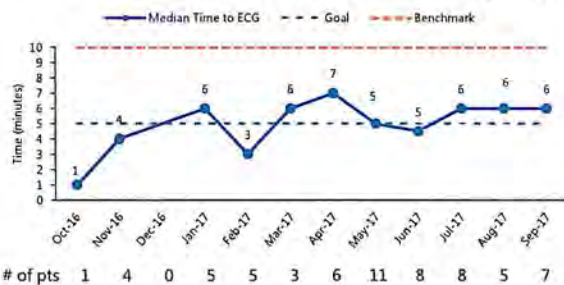
Stroke Dysphagia Screening ↑



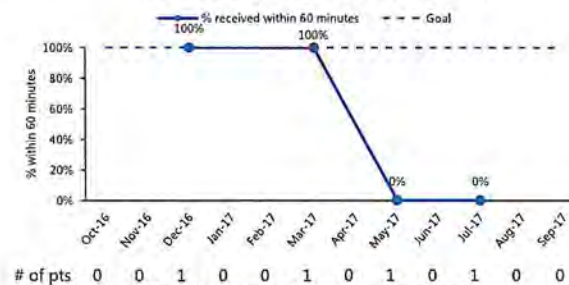
Restraints ↑



Median Time to ECG (Chest Pain) ↓



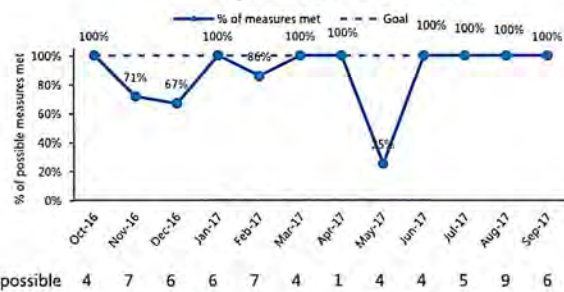
Stroke IV Thrombolytics ↑



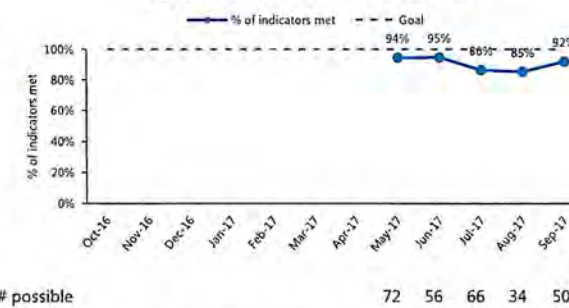
Falls ↓



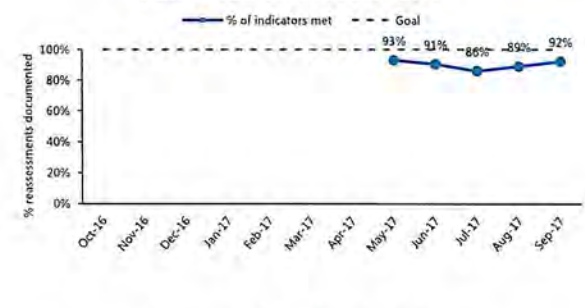
Sepsis Bundle ↑



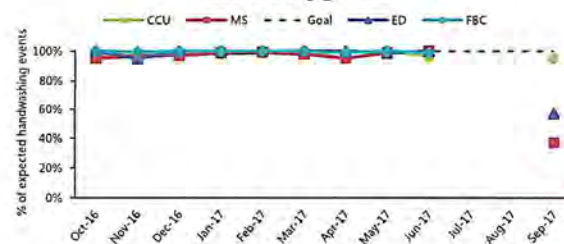
Total Joint SSI Prevention



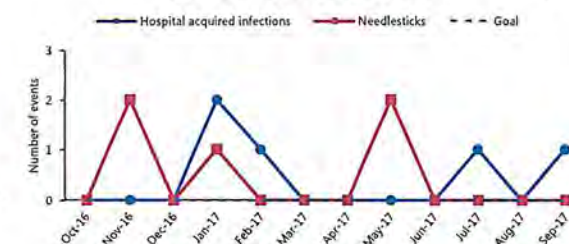
Pain Med Reassessment



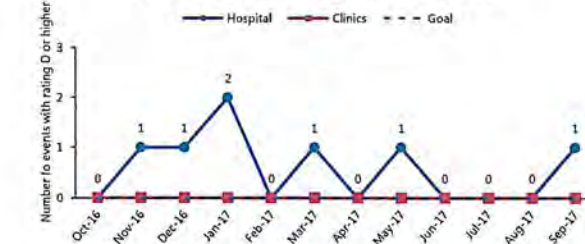
Hand Hygiene ↑



HAIs and Needlesticks ↓



Adverse Medication Events



13

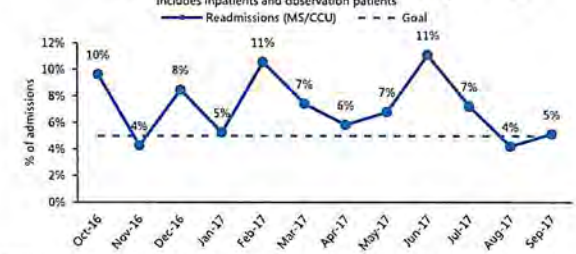
Timely Initiation of Care ↑



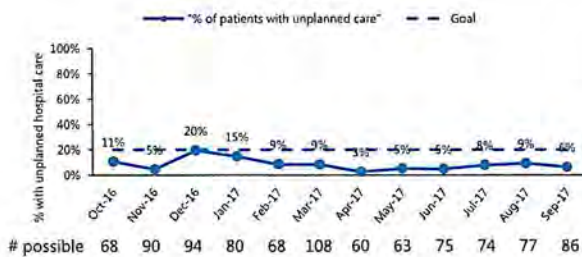
Exclusive Breastfeeding ↑



Readmissions Within 30 Days ↓



Unplanned Hospital Care (Home Health) ↓



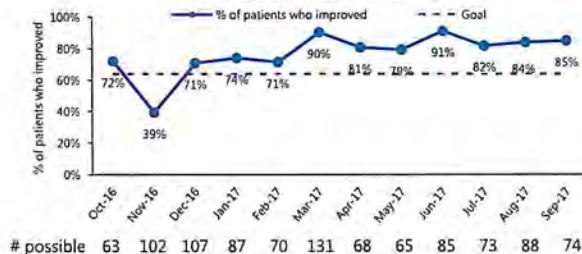
Patient satisfaction Clinics ↑



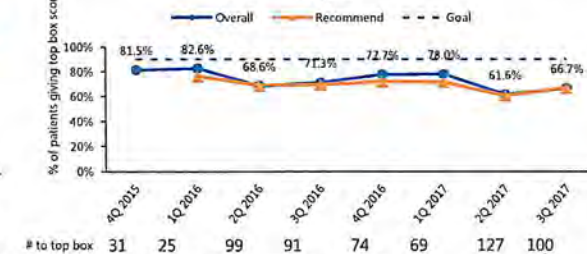
Care and Service Reports ↓



Improvement in Pain Interfering with Activity (Home Health) ↑



Patient satisfaction Hospital ↑



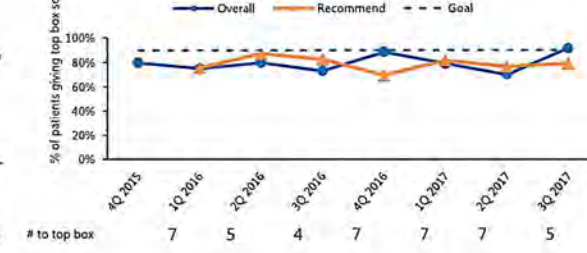
Employee Reports ↑



Improvement in Dyspnea with Activity (Home Health) ↑



Patient satisfaction Home Health and Hospice ↑



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



14

November 2017

Behavioral Health: Doctors Solberg and Martin, Carrie Barr and I had an opportunity to meet with many of the county behavioral health providers. The meeting was designed to help KVH understand the nuts and bolts of providing behavioral health in Kittitas County and how we can support those providers already in the community. There were psychologists, counselors and psychiatric nurse practitioners at the gathering. They confirmed the need for a psychiatrist in Kittitas County and encouraged us to add one to our recruitment plan. We all acknowledge that it is a long shot. They support the integrated behavioral health model that we are developing at FME and FMCE. There may be an opportunity to contract with the psychologists and counselors to help serve the underserved in our rural health clinics. We have committed to including community behavioral health providers in our recruitment and interviewing process. We also hope to include them as we develop our patient-centered medical homes. The feedback from the meeting has been very positive and we will be assembling the group for a follow up meeting in January. Thank you to Carrie Barr for facilitating the meeting.

Clinical Collaborations: Dr. Solberg arranged an evening meeting with the Medical Director of Yakima Cardiology and the Director of VM Memorials' Cardiac and Orthopedic service lines. The meeting was well attended by KVH and community providers.

Collaborating in Upper County: On November 20th the Board of Hospital District #2 approved their three-year strategic plan. I have attached a copy for your review. We will begin work on the associated business plan in the near future.

Discussion continues in upper county around the need for reliable pharmacy services. When the two private providers closed we discovered just how fragile pharmacy services are in District #2. Patients, providers and community members approached us about the issue. Our search for a facility to house pharmacy services in Cle Elum has brought us back to the Cle Elum Clinic. By claiming approximately 400 sf of the lobby for an outpatient pharmacy we will be able to provide service six days a week and a drive through window. You will receive a packet of information at the meeting that includes a construction estimate and functional program. Nasser and Rhonda will be available to discuss the 340B pharmacy pro forma. Hospital District #2 has authorized continued discussion to include Hospital District #1 adding pharmacy service within the boundaries of Hospital District #2, the remodel, a subsidy for initial operations and construction funding. At this point we are looking for Hospital District #1 to signal continuing interest and to authorize administration to develop the documents to advance the discussion. It should be noted that clinic staff including Dr. Wood have expressed concern that we are underestimating the impact of pharmacy traffic on the clinic lobby.

The partnership between PHD #1, PHD#2 and Northwest Physical Therapy continues to develop. FMCE has provided space for physical therapy since 2014 but with the addition of behavioral health and new providers to meet the increased primary care demand we will soon need to claim the therapy space. Cle Elum was excluded from the Rehab Visions contract and a fulltime physical therapist was hired for upper county. Rhonda has reached out to the owner of Northwest Physical Therapy, Craig Pigeon, to assist with supervision. Craig is well respected in Cle Elum both as a provider and a business owner and we are exploring opportunities to develop a more meaningful partnership in the near term.

A final note on upper county collaboration: in early October HRSA announced a grant opportunity to support collaborative rural outreach efforts. The grant requires the participation of three partners and the lead agency is required to be rural. With the collaborative work being done between Swedish, PHD #1 and PHD#2 in upper county we felt the grant was tailor made for our project. Carrie Barr and Rhonda are hard at work with Swedish on completing the grant and the Washington State Office of Rural Health has weighed in with a letter of



CHIEF EXECUTIVE REPORT – Julie Petersen

November 2017

support. The funding is up to \$200,000 a year for three years and the grant is due in early December. Stay tuned.

Radio Hill Annex Update and Strategic Facility Plan: The Radio Hill Annex goes before the Ellensburg City Planning Commission concurrent with the District's Board meeting. We anticipate clear sailing but we hope to know for certain by the end of the evening. Amy and Michele are working on a plan to share the various stages of the Strategic Facility Plan with providers, the KVH team, and our neighbors and community.

Employee Opinion Survey: You have each received a copy of the 2017 employee opinion survey and I welcome your comments. The report will be posted on the intranet and reviewed with everyone able to attend open forums.

The good news is that relative to both 2015 and 2016, the 2017 scores improved for each question and each category. We had a 14 point improvement in "Employees are treated with respect," a 9 point improvement in "There is good teamwork between different divisions at KVH" and "I have confidence in the management of KVH" and 6 point improvement in "Overall I like my job." Our highest score (82nd percentile) was "I am proud to tell people that I work at KVH."

Further good news is that we had great participation in the comment section of the survey. We learned that some employees still do not feel a clear sense of direction. There is still a desire for more transparency and participation in decision making. People are feeling the stress of change and increased volumes. We heard again that we have a critical need for staff development. Overall they were familiar themes that we are working to address.

OneSource:

Integration Testing 1.5 was conducted November 13 – November 17th. This event has been a bit rocky, as we have found numerous gaps in our build, as well as gaps in account provisioning/user access. The Informatics team has been very diligent in tracking all issues and is working with Cerner to resolve.

Recruiting – Replacement for our project manager – We have hired a project manager who is scheduled to start the week after Thanksgiving.

Legacy Data – Update - We have been working with Harmony IT, a consulting firm specializing in data migrations and legacy data archiving. We are contracting with Harmony IT to do the following:

1. Extract demographic data from Paragon (our hospital EMR) to upload directly into Cerner
2. Create CCD's en masse from Paragon and Nextgen and upload them to Common Well (a central hub for transmitting health information data to which Cerner is a member). Cerner automatically searches Common Well for any external data once a patient's chart is opened, and allows a provider to import that data into the patient's chart.
3. Build and implement a Legacy Data Archive Repository for HIM and clinical use.

We are working with the vendor and Cerner on dates and will be publishing a timeline shortly.

Julie's notes on OneSource: There is a growing realization that the implementation is real and right around the corner. The integrated testing (IT) events that we are conducting are *designed* to find flaws in the system and they did. IT 1.5 was not scheduled. Following IT 1.0 the assessment was made that additional scenarios needed to be tested. That was a proactive and positive decision on the part of Jack and the Core Project Team.

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CHIEF EXECUTIVE REPORT – Julie Petersen

November 2017

IT 1.5 identified the need for more than 60 fixes. Jack is carefully tracking these items as they are closed by Cerner. These will be tested again at IT 2.0 scheduled for the second week of December. If Jack does not feel that adequate progress has been made on the fixes, then 2.0 will be postponed. Regardless, I anticipate that a 2.5 will be added. This is all part of the process.

Jack will be attending huddles over the coming weeks to discuss go-live support and training. Staff is anxious to get started with training but we understand from Cerner that training needs to be held closer to go-live. Department leaders and staff also want assurances that there will be adequate "at-the-elbow" support at every department on every shift.

If there is such a thing as an appropriate level of anxiety, then I think we are experiencing it.

Ensure Access to Care

Strategy 1

Develop a Master Campus Vision and Plan

How we get there

- Assess future needs of EMS
- Identify needed services
- Engage an architect
- Phase project in order of priority

Strategy 2

Enable the provision of needed services

How we get there

- Identify appropriate agency/partner
- Design care models to meet patient needs and bring needed services to the community
- Monitor needs for additional emergency or expanded urgent care services

Ensure KCPHD #2 remains Fiscally Strong

Strategy 1

Identify ways to reduce operating costs

How we get there

- Consider partnering with another agency to provide EMS coverage
- Ensure Board has a good understanding of union contract

Strategy 2

Identify methods to increase revenue

How we get there

- Reduce outmigration of services

Identify & Foster Strategic Relationships

How we get there

- Actively work to improve relationship with Life Support
- Continue Joint District meetings with KCPHD #1
- Leverage relationships with Swedish, other medical providers and WSHA
- Ensure collaboration by being engaged in planning

Develop a Board Succession Plan

How we get there

- Develop criteria for selection of candidates to maintain diversity and representation of community
- Identify interested candidates prior to experiencing a vacancy
- Establish orientation materials for oncoming board members, outlining the history of the district, mission/vision, strategic plan, etc

HR Dashboard

Measurement		17-Oct	17-Sep	17-Aug	17-Jul	17-Jun	May-17	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16	Nov-16	Oct-16	
Employee Population	Available workforce	Rolling 12 Variance													
	Full-time	-10	322	346	339	333	328	326	328	322	331	329	330	332	332
	Part-time	-7	167	146	147	151	157	170	173	174	177	176	165	170	174
	Per Diem	-6	86	88	88	89	89	84	79	77	79	79	86	89	92
	Total Employees	-23	575	580	574	573	574	580	580	576	587	584	581	591	598
Turnover	Quality of recruitment and retention	Rolling 12 Total													
	Voluntary (excludes pd terms, includes reduction of FTE to pd)	102	9	3	14	12	11	12	6	9	2	2	11	7	4
	Involuntary (excludes pd terms)	36	15	2	1	0	1	0	1	4	1	2	5	1	3
	Overall Percentage (excludes pd terms, includes reduction of FTE to pd)	23.84%	4.17%	0.86%	2.61%	2.09%	2.09%	2.07%	1.21%	2.26%	0.51%	0.68%	2.75%	1.35%	1.17%
	Total All Employees Separated	146	24	8	15	11	14	11	7	12	4	6	14	11	9
General Recruitment	Efficiency of sourcing, selecting and placing talent	Rolling 12 Total													
	Open Postings	246	14	28	22	16	35	17	18	13	12	15	23	17	16
	Unique Applications Received	2043	133	191	168	137	148	129	77	139	66	163	198	232	262
	Employees Hired	130	21	18	16	13	7	11	6	4	6	10	8	4	6
	Time to Fill (Median)	-	24	40	36	48.5	46	52	52	39	39	29.5	Median tracked beginning 02/2017		
Time to Fill (Average)	-	33.24	48.29	40	54.5	49.76	54.4	55	48	46.8	59.4	59.7	59.4	50.2	
Provider Recruitment	Efficiency of sourcing, selecting and placing talent	Rolling 12 Total													
	Open Postings	7	1	1	0	1	0	0	0	3	0	1	0	0	0
	Current Slots	-	1	9	12	14	13	14	14	14	12	11	Data tracked beginning		
	Unique Applications Received	82	9	9	3	3	4	4	10	3	5	11	6	12	3
	Candidates Interviewed	43	2	4	4	5	3	3	5	2	2	3	1	4	5
	Employees Hired	12	2	0	5	0	0	1	0	1	2	0	0	0	1
Time to Fill (Average)	67.33	207	0	88	0	0	293	0	195	0	0	0	0	92.3	
Benefits	Financial impact of adding talent	Rolling 12 Total													
	Workers Comp Claims	45	6	5	4	6	1	3	2	1	1	4	5	3	4
	Time Loss Days	208	61	58	30	18	0	2	0	0	0	10	9	18	2
	Employee Population on Medical Benefits (Average)	65.9%	68.2%	66.0%	67.4%	65.4%	66.2%	64.5%	65.4%	66.8%	65.5%	65%	67%	Data tracked beginning 11/16	
	Total cost in benefits per FTE - welfare (Average)	-	-	\$ 832.77	\$ 748.08	\$ 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)	-	-	\$ 1,778.93	\$ 1,254.06	\$ 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	87.0%	87.0%	85.3%	86.4%	83.3%	88.2%	92.6%	89.5%	95.8%	96.7%	97.4%	97.6%	94.6%	98.1%

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**NOTIFICATION OF CREDENTIALS FILES
FOR REVIEW**

Date November 17, 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>
Elizabeth Wise, MD	Ambulatory	Reappointment
Margaret Kang, MD	Associate	Reappointment
Daniel Hiersche, MD	Active	Reappointment
Cassandra Gavin, ARNP	AHP	Reappointment

November, 2017

Medical Staff Services:

- Mitch Engel continues his successful recruiting. We had two provider interviews in October; a Geriatric Nurse Practitioner and a Certified Nurse Midwife. We made offers to both, and one has been accepted. From work over the last several months, we have received a signed acceptance for a part time orthopedist to join Dr. Mirich and Bos, and have an offer out to an orthopedic PA.
- Lisa Potter is working with our Workplace Health staff to firm up business development plans for this clinic. She continues to spearhead our work at developing collaborative opportunities with CWU in both occupational medicine and student health areas.
- Mandy Weed, our Medical Staff Coordinator, hasn't slowed a bit with another busy month, currently processing 16 initial appointments, 12 Reappointments, and 5 students. Given the ongoing volumes of providers in various stages of the initial or re-credentialing process, we have begun discussion as to how to streamline these processes and hopefully speed the time between signing of the contract and having each provider fully credentialed and ready to work.
- We continue to explore the resources and gaps in care within our county in terms of Behavioral Health. Julie Peterson, Carrie Barr, Dr. Kevin Martin and I hosted a meeting with many of the independent psychologists and counsellors, as well as CWU behavioral health representatives, that began a discussion of what are the current major gaps in behavioral health services in our county, and to gather opinions as to how KVH can play a role in narrowing these gaps. The conversation was open, frank, and in my opinion very productive for all concerned. We have agreed to continue these meetings as we look for ways to improve services in this critical medical shortage area for our community.

Clinics:

- Workplace Health (Occ. Med.) –
 - Lisa is continuing research on mobile units to provide convenience and on-site service for Upper County and other regional employers.
 - We are in the early stages of exploring ways in which we can integrate and coordinate workplace health staff with Orthopedics and Physical Therapy services to promote access and timely interventions
- Wound Care Clinic – we are moving forward on multiple levels to be ready as rapidly as possible with this new service. We have settled on opening 5 days a week in the afternoons, with APC coverage for 3 of those days.
 - Implementation team is being formed to include HR, IT, HIM, Engineering, Billing and Materials Management, in addition to MOP leadership
 - Provider recruitment has begun, with conversations/negotiations occurring with a primary candidate for an APC, and I have had verbal agreement with various consultative and medical supervisory providers. Training will start after April 1.
 - We have nearly completed negotiations with our consultant, and expect a signed contract with them by the board meeting.
- Clinic Council
 - We have begun a refresh on our Care Model for the future; this was last done over 2 years ago in preparation for a Medical Office Building design project. We have a lot of new providers, new recruitment processes and experiences, and a new Strategic Plan that needs to be integrated with external forces like Value Based Purchasing expectations, Behavioral Health integration plans and third-party payors requirements, and current facility expansion plans. Carrie Barr and I both believe that the Care Model we are building toward deserves refresh to be sure we are headed in the right direction.
 - Chronic Pain Management services continue to be a very hot topic statewide. We are planning a refresh of our current outpatient approaches in this area to ensure we are up to date with best practices, regulatory requirements, and doing all we can to reduce the impact of Opioid Use Disorder in our communities.

CHIEF FINANCIAL OFFICER REPORT- Libby Allgood, CFO

October Operating Highlights:

- We experienced an overall operating loss of \$98,644 in October. Year to date the operating income of \$1,412,033 exceeds budget by \$394,157 and exceeds same period last year by \$996,963.
- Emergency visits exceeded budget by 162 visits or 14.5%. Laboratory volume exceeded budget by 7.8% and Radiology exceeded budget by 6.3%. Volumes in both Laboratory and Radiology exceed respective year to date budgeted levels and exceed prior year.
- Overall surgical cases were below budget by 44 procedures. Dr. Mirich was out during most of the month of October.
- Inpatient admissions were 35.5% below budget reflecting a negative variance of 39 admits and resulting in patient days at 31.3% below budget. The negative volume variance resulted in an inpatient revenue variance of \$687,537.
- Staff has done an outstanding job managing expenses in line with our lower volumes. Expenses were \$537,520 below budget in October and a \$2,891,955 below budget year to date. Year to date total expense is \$534,404 less than the same period last year.

Key Metrics:

- Days Cash on Hand = 235.7
- AR Days = 48.1
- Operating Margin YTD = 2.4%

Kittitas Valley Healthcare
Key Statistics and Indicators
 October 2017

Activity Measures	Current Month			Year to Date			Prior YTD		
	Actual	Budget	Var. %	Actual	Budget	Var. %	Actual	Var. %	
01 Admissions	71	110	-35.5%	735	946	-22.3%	899	-18.2%	01
02 Patient Days - W/O Newborn	200	291	-31.3%	2,034	2,523	-19.4%	2,590	-21.5%	02
03 Avg Daily IP Census	6.5	9.4	-31.3%	6.7	8.3	-19.4%	8.5	-21.2%	03
04 Average Length of Stay	2.8	2.6	6.5%	2.8	2.7	3.8%	2.9	-3.9%	04
05 Deliveries	15	29	-48.3%	262	258	1.6%	264	-0.8%	05
06 Case Mix	1.06	0.98	8.1%	1.07	0.98	9.5%	1.03	4.2%	06
07 Surgery Minutes - Inpatient	2,137	3,309	-35.4%	28,028	29,287	-4.3%	30,841	-9.1%	07
08 Surgery Minutes - Outpatient	4,558	7,006	-34.9%	64,205	67,803	-5.3%	68,885	-6.8%	08
09 Surgery Procedures - Inpatient	19	27	-29.6%	238	239	-0.4%	249	-4.4%	09
10 Surgery Procedures - Outpatient	88	124	-29.0%	1,109	1,200	-7.6%	1,265	-12.3%	10
11 ER Visits	1,277	1,115	14.5%	11,081	10,965	1.1%	11,731	-5.5%	11
12 Laboratory	43,381	40,236	7.8%	396,635	373,009	6.3%	380,091	4.4%	12
13 Radiology	27,637	26,004	6.3%	262,020	251,070	4.4%	255,617	2.5%	13
14 Rehab	3,248	3,775	-14.0%	33,249	35,376	-6.0%	32,539	2.2%	14
15 Outpatient Visits	6,411	6,504	-1.4%	61,731	61,891	-0.3%	62,855	-1.8%	15
16 Outpatient Percent of Total Revenue	85.9%	81.2%	5.8%	84.6%	82.1%	2.9%	81.7%	3.4%	16
17 Clinic Visits	5,893	5,525	6.7%	50,868	51,027	-0.3%	49,206	3.4%	17
18 Adjusted Patient Days	1,421	1,547	-8.2%	13,175	14,134	-6.8%	14,188	-7.1%	18
19 Equivalent Observation Days	70	75	-6.2%	794	690	15.0%	697	13.9%	19
20 Avg Daily Obs Census	2.3	2.4	-6.2%	2.6	2.3	15.0%	2.3	13.9%	20
Financial Measures									
21 Salaries as % of Net Pt Revenue	57.8%	52.4%	-10.3%	55.1%	53.8%	-2.2%	52.5%	-4.9%	21
22 Salaries/Bene as % of Net Pt Revenue	67.9%	66.3%	-2.4%	67.3%	67.1%	-0.2%	65.0%	-3.5%	22
23 Revenue Deduction %	46.3%	43.1%	-7.3%	46.2%	43.4%	-6.5%	44.3%	-4.4%	23
24 Operating Margin	-1.71%	2.45%	-169.9%	2.37%	1.67%	42.3%	0.70%	237.5%	24
Operating Measures									
25 Productive FTE's	415.9	419.5	0.8%	407.8	415.8	1.9%	398.4	-2.4%	25
26 Non-Productive FTE's	45.2	52.7	14.3%	51.2	52.7	2.8%	50.7	-1.0%	26
27 Paid FTE's	461.1	472.2	2.4%	459.0	468.5	2.0%	449.1	-2.2%	27
28 Operating Expense per Adj Pat Day	\$ 4,128	\$ 4,138	0.2%	\$ 4,408	\$ 4,314	-2.2%	\$ 4,131	-6.7%	28
29 Net Revenue per Adj Pat Day	\$ 4,059	\$ 4,242	-4.3%	\$ 4,516	\$ 4,387	2.9%	\$ 4,161	8.5%	29
30 A/R Days-Hospital Only	48.1	50.0	3.8%	48.1	50.0	3.8%	46.9	-2.5%	30
31 Days Cash on Hand	235.7	160.0	47.3%	235.7	160.0	47.3%	173.0	36.3%	31

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Kittitas Valley Healthcare
Statement of Revenue and Expense

	Current Month			Year to Date			Prior Y t D
	Actual	Budget	Variance	Actual	Budget	Variance	Actual
INPATIENT REVENUE	1,488,710	2,176,247	(687,537)	16,760,936	19,621,977	(2,861,041)	18,932,313
OUTPATIENT REVENUE	7,716,247	7,709,718	6,529	78,646,341	74,460,621	4,185,720	72,575,303
CLINIC REVENUE	1,370,120	1,388,966	(18,846)	13,160,433	12,790,913	369,520	12,201,830
REVENUE	10,575,078	11,274,932	(699,854)	108,567,709	106,873,511	1,694,198	103,709,446
CONTRACTUALS	4,519,105	4,564,654	(45,549)	46,786,623	43,509,127	3,277,496	43,046,144
PROVISION FOR BAD DEBTS	163,057	216,283	(53,226)	2,025,801	2,067,905	(42,104)	1,970,949
FINANCIAL ASSISTANCE	127,446	64,885	62,561	732,362	620,372	111,990	457,509
OTHER DEDUCTIONS	83,798	31,018	52,780	619,852	296,567	323,285	422,773
DEDUCTIONS FROM REVENUE	4,893,406	4,876,840	16,567	50,164,639	46,493,971	3,670,668	45,897,375
NET PATIENT SERVICE REVENUE	5,681,672	6,398,092	(716,421)	58,403,070	60,379,540	(1,976,470)	57,812,070
OTHER OPERATING REVENUE	84,979	163,722	(78,743)	1,089,491	1,610,818	(521,327)	1,217,932
TOTAL OPERATING REVENUE	5,766,650	6,561,815	(795,164)	59,492,561	61,990,358	(2,497,797)	59,030,002
SALARIES	3,244,641	3,369,520	(124,879)	31,817,311	32,686,044	(868,733)	30,340,101
TEMPORARY LABOR	39,648	28,883	10,765	334,799	296,860	37,940	912,970
BENEFITS	574,526	895,683	(321,157)	7,139,244	8,060,358	(921,114)	7,233,446
PROFESSIONAL FEES	40,272	98,200	(57,928)	643,262	867,865	(224,603)	2,621,083
SUPPLIES	660,441	751,708	(91,267)	7,226,339	7,257,070	(30,731)	7,143,936
UTILITIES	64,795	76,226	(11,432)	723,112	738,827	(15,715)	679,642
PURCHASED SERVICES	438,703	581,974	(143,271)	4,434,442	5,181,769	(747,327)	4,403,322
DEPRECIATION	227,298	216,152	11,146	2,333,743	2,293,517	40,227	2,190,622
RENTS AND LEASES	152,272	119,985	32,287	1,155,671	1,145,024	10,647	895,069
INSURANCE	40,818	50,730	(9,912)	406,242	507,302	(101,060)	452,181
LICENSES & TAXES	78,567	79,307	(741)	716,275	788,100	(71,825)	770,574
INTEREST	79,479	19,252	60,226	312,324	192,524	119,800	245,084
TRAVEL & EDUCATION	180,228	53,140	127,088	440,362	442,993	(2,631)	293,039
OTHER DIRECT	43,606	62,053	(18,447)	397,401	514,230	(116,829)	433,862
EXPENSES	5,865,294	6,402,814	(537,520)	58,080,528	60,972,483	(2,891,955)	58,614,932
OPERATING INCOME	(98,644)	159,001	(257,644)	1,412,033	1,017,875	394,157	415,070
OPERATING MARGIN	-1.71%	2.42%	32.40%	2.37%	1.64%	-15.78%	0.70%
NON-OPERATING REV/EXP	41,210	143,383	(102,173)	1,365,506	1,433,554	(68,047)	1,383,842
NET INCOME	(57,434)	302,384	(359,817)	2,777,539	2,451,429	326,110	1,798,912
UNIT OPERATING INCOME							
HOSPITAL	131,002	458,967	(327,966)	3,715,103	3,857,477	(142,373)	2,407,363
URGENT CARE	9,344	4,953	4,391	127,606	54,886	72,720	46,783
CLINICS	(258,427)	(320,710)	62,284	(2,881,787)	(3,086,887)	205,100	(1,933,127)
HOME CARE	19,438	15,791	3,647	451,110	192,400	258,710	(105,949)
OPERATING INCOME	(98,644)	159,001	(257,644)	1,412,033	1,017,875	394,157	415,070

Kittitas Valley Healthcare Balance Sheet

	YEAR-TO-DATE	PRIOR YEAR END	CHANGE
CASH AND CASH EQUIVALENTS	4,329,359	4,551,415	(222,056)
ACCOUNTS RECEIVABLE	18,049,105	15,700,798	2,348,307
ALLOWANCE FOR CONTRACTUAL	(8,883,874)	(7,527,059)	(1,356,815)
THIRD PARTY RECEIVABLE	170,680	1,465,000	(1,294,320)
OTHER RECEIVABLES	289,010	221,003	68,007
INVENTORY	1,189,178	1,154,571	34,607
PREPAID EXPENSES AND DEPOSITS	575,238	904,186	(328,947)
CURRENT ASSETS	15,718,697	16,469,914	(751,217)
INVESTMENTS	38,891,951	25,308,303	13,583,648
PLANT PROPERTY AND EQUIPMENT	64,988,875	61,136,651	3,852,224
ACCUMULATED DEPRECIATION	36,941,270	35,481,022	1,460,247
NET PROPERTY, PLANT, & EQUIP	28,047,605	25,655,628	2,391,977
NON-CURRENT ASSETS	66,939,556	50,963,931	15,975,625
ASSETS	82,658,253	67,433,845	15,224,408
ACCOUNTS PAYABLE	868,792	1,715,657	(846,866)
ACCRUED PAYROLL	344,157	1,029,748	(685,592)
ACCRUED BENEFITS	855,653	1,050,544	(194,890)
ACCRUED VACATION PAYABLE	1,982,268	1,926,471	55,797
THIRD PARTY PAYABLES	1,778,200	1,340,000	438,200
CURRENT PORTION OF LONG TERM DEBT	1,548,713	1,548,713	0
CURRENT LIABILITIES	7,377,783	8,611,133	(1,233,351)
ACCRUED INTEREST	204,512	22,828	181,683
BOND PREMIUM 2008 REFUND	24,453	54,735	(30,282)
DEFERRED REVENUE HOME HEALTH	166,039	137,221	28,818
DEFERRED LIABILITIES	395,004	214,784	180,220
LONG-TERM DEBT - 2008 UTGO BONDS	1,026,287	1,026,287	0
LONG-TERM DEBT - 2009 UTGO BONDS	3,083,329	3,083,329	0
LONG-TERM DEBT - 2017 REVENUE BONDS	13,500,000	0	13,500,000
LONG TERM DEBT	17,609,616	4,109,616	13,500,000
NON-CURRENT LIABILITIES	18,004,620	4,324,400	13,680,220
FUND BALANCE	54,498,312	52,954,397	1,543,915
NET REVENUE OVER EXPENSES	2,777,539	1,543,915	1,233,624
FUND BALANCE	57,275,850	54,498,312	2,777,539
TOTAL LIABILITIES & FUND BALANCE	82,658,253	67,433,845	15,224,408

Kittitas Valley Healthcare
Statement of Cash Flow

NET BOOK INCOME	2,777,539
ADD BACK NON-CASH EXPENSE	
DEPRECIATION	1,460,247
PROVISIONS FOR BAD DEBT	
LOSS ON SALE OF ASSETS	
NET CASH FROM OPERATIONS	4,237,786
INCREASE IN CURRENT ASSETS (\$)	
PATIENT ACCOUNTS	(991,492)
OTHER RECEIVABLES	1,226,313
INVENTORIES	(34,607)
PREPAID EXPENSES & DEPOSITS	328,947
TOTAL CURRENT ASSETS	529,161
INVESTMENTS	(13,583,648)
PROPERTY, PLANT, & EQUIP.	(3,852,224)
OTHER ASSETS	0
TOTAL ASSETS	(12,668,925)
DECREASE IN CURRENT LIABILITIES (\$)	
ACCOUNTS PAYABLE	(846,866)
ACCRUED SALARIES	(685,592)
ACCRUED EMPLOYEE BENEFITS	(194,890)
ACCRUED VACATIONS	55,797
COST REIMBURSEMENT PAYABLE	438,200
CURRENT MATURITIES OF LONG-TERM DEBT	0
CURRENT MATURITIES OF CAPITAL LEASES	0
TOTAL CURRENT LIABILITIES	(1,233,351)
DECREASE IN OTHER LIABILITIES (\$)	
ACCRUED INTEREST ON 1998, 1999 UTGO	181,683
2008 UTGO REFUNDING BOND PREMIUM	(30,282)
DEFERRED TAX COLLECTIONS	0
DEFERRED REVENUE - HOME HEALTH	28,818
TOTAL OTHER LIABILITIES	180,220
DECREASE IN LT DEBT & CAPITAL LEASES (\$)	
LONG-TERM DEBT - 2008 UTGO BONDS	0
LONG-TERM DEBT - 2009 LTGO BONDS	0
LONG-TERM DEBT - 2017 REVENUE BONDS	13,500,000
TOTAL LONG-TERM DEBT & LEASES	13,500,000
TOTAL LIABILITIES	12,446,869
NET CHANGE IN CASH	(222,056)
BEGINNING CASH ON HAND	4,551,415
ENDING CASH ON HAND	4,329,359

October 2017							
ACCOUNTS RECIEVABLE	Unbilled	0-30	31-60	61-90	91-180	181+	Total
(3 Month Avg= Per Day)							
Hospital	2,852,027	5,598,355	1,428,998	881,541	1,439,803	1,883,384	14,084,108
AR Days	9.74	19.12	4.88	3.01	4.92	6.43	48.09
Family Medicine Cle Elum	0	131,435	25,573	21,108	21,962	28,893	228,971
AR Days	0.00	15.68	3.05	2.52	2.62	3.45	27.32
Internal Medicine	0	199,053	21,868	15,230	16,761	2,685	255,597
AR Days	0.00	18.90	2.08	1.45	1.59	0.25	24.26
Family Medicine Ellensburg	0	215,670	46,226	37,266	54,830	66,074	420,066
AR Days	0.00	15.57	3.34	2.69	3.96	4.77	30.32
Orthopedic	0	76,670	22,269	9,332	22,357	1,324	131,952
AR Days	0.00	12.33	3.58	1.50	3.59	0.21	21.22
Women's Health	0	44,060	23,539	4,517	19,456	2,149	93,721
AR Days	0.00	17.81	9.51	1.83	7.86	0.87	37.88
General Surgery	0	35,692	6,929	7,038	11,849	1,586	63,094
AR Days	0.00	17.09	3.32	3.37	5.67	0.76	30.21
Hospitalist	0	54,517	5,001	7,774	8,728	4,722	80,742
AR Days	0.00	22.80	2.09	3.25	3.65	1.97	33.77
Home Care	0	363,573	86,242	52,440	80,843	47,938	631,036
AR Days	0.00	40.32	9.56	5.82	8.96	5.32	69.98
Urgent Care	11,273	66,632	40,502	25,431	44,378	17,880	206,095
AR Days	2.12	12.55	7.63	4.79	8.36	3.37	38.83
Total All Accounts Receivable	2,863,301	6,785,657	1,707,147	1,061,677	1,720,967	2,056,664	16,195,412
	8.11	19.22	4.83	3.01	4.87	5.82	45.86

KITTITAS VALLEY HEALTHCARE
US BANCORP INVESTMENTS
OCTOBER 31, 2017

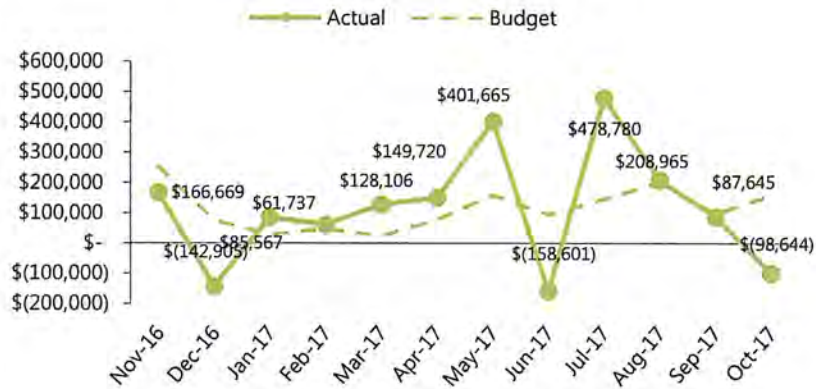
INVESTMENT TYPE	CUSIP	INVESTMENT DATE	MATURITY DATE	INTEREST %	MATURITY AMOUNT	INVESTMENT AMOUNT	MARKET VALUE	UNREALIZED GAIN/(LOSS)
FNMA	3136G1F38	03/06/2013	12/06/2017	1.000%	1,605,000.00	1,609,453.88	1,604,870.00	(4,583.88)
FFCB	3133ECNZ3	05/24/2013	02/09/2018	0.840%	1,500,000.00	1,499,001.00	1,497,874.50	(1,126.50)
FHLMC	3134G6Y31	05/29/2015	05/25/2018	1.150%	2,000,000.00	2,005,870.00	1,997,556.00	(8,314.00)
FFCB	3133EGEF8	06/15/2016	06/13/2019	1.180%	1,616,000.00	1,621,224.53	1,602,197.74	(19,026.79)
FFCB	3133EGAW5	06/01/2016	08/19/2019	1.250%	1,665,000.00	1,664,457.21	1,649,167.52	(15,289.69)
FAMCA	3132X0JT9	09/20/2016	09/20/2019	1.160%	1,600,000.00	1,601,881.60	1,576,315.20	(25,566.40)
FFCB	3133EGWF8	10/03/2016	10/03/2019	1.170%	1,600,000.00	1,603,766.40	1,582,889.60	(20,876.80)
RFCSP STRIP	76116FAA5	07/12/2016	10/15/2019	0.829% *	1,026,000.00	998,993.63	991,728.52	(7,265.11)
RFCSP STRIP	76116FAA5	10/20/2017	10/15/2019	1.588% *	1,083,000.00	1,049,875.36	1,046,824.55	(3,050.81)
FFCB	3133EGA62	02/02/2017	11/01/2019	1.160%	1,000,000.00	993,013.00	989,626.00	(3,387.00)
FNMA STRIPS	31364DJV9	11/09/2016	04/08/2020	1.120% *	1,558,000.00	1,499,712.10	1,486,835.23	(12,876.87)
FANNIE MAE	3136G3NX9	06/01/2016	05/18/2020	1.220%	1,090,000.00	1,089,579.26	1,073,870.18	(15,709.08)
FFCB	3133EGBL8	05/19/2016	05/19/2020	1.370%	1,485,000.00	1,488,460.05	1,472,537.88	(15,922.17)
FREEDIE MAC	3134GAWY6	11/28/2016	08/25/2020	1.375%	1,775,000.00	1,762,472.05	1,750,221.00	(12,251.05)
FFCB	3133EGC29	11/02/2016	11/02/2020	1.350%	2,000,000.00	2,002,330.00	1,968,164.00	(34,166.00)
FNMA	3136G3ND3	05/25/2016	11/25/2020	1.400%	1,000,000.00	1,001,292.00	979,009.00	(22,283.00)
FHLB	3130A8NT6	01/31/2017	07/13/2021	1.480%	1,020,000.00	1,000,028.40	999,129.78	(898.62)
TOTAL					24,623,000.00	24,491,410.47	24,268,816.70	(222,593.77)

*Zero Coupon Bond. Yield to Maturity.

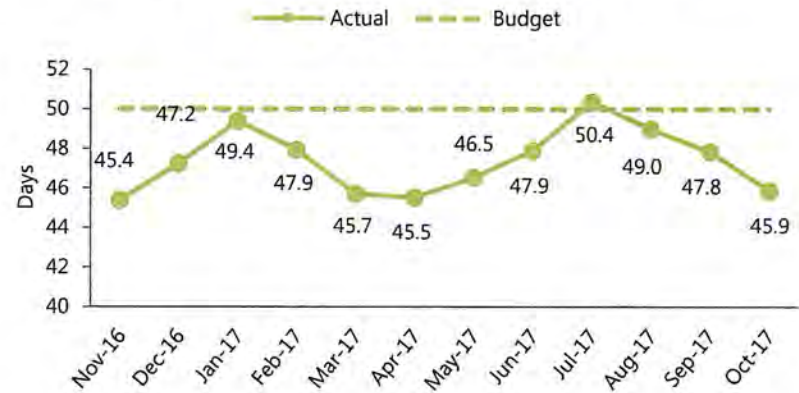
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Financial Stewardship

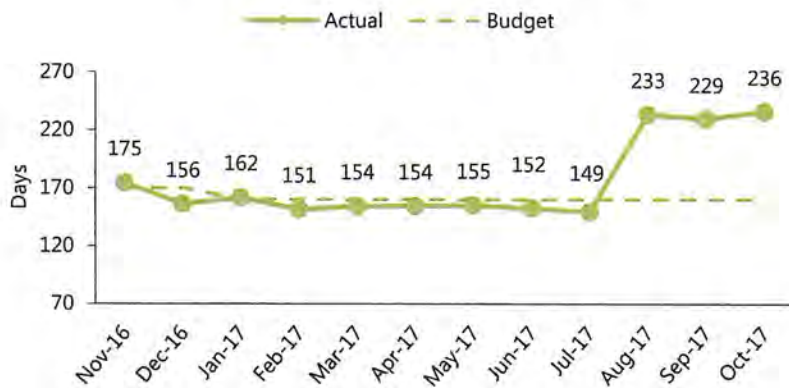
Operating Income



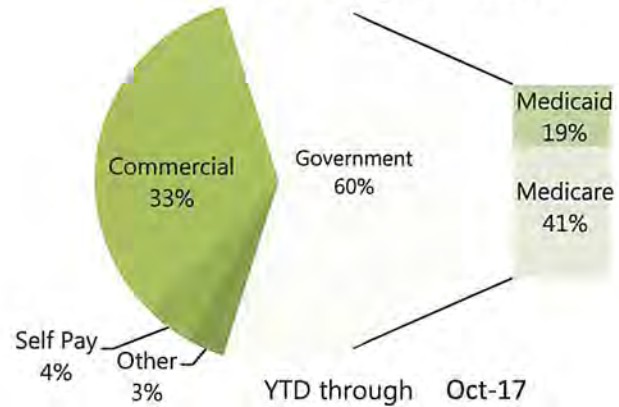
Accounts Receivable Days



Days Cash on Hand



2017 Payer Mix



199

KITTITAS VALLEY HEALTHCARE

RESOLUTION 17-19
SURPLUS PERSONAL PROPERTY

WHEREAS Kittitas County Public Hospital District #1, dba Kittitas Valley Healthcare has determined the following items to be no longer required for Public Hospital District purposes and hereby declare them as surplus.

These items may be sold or disposed of in such manner and upon such terms and condition as the Board finds to be in the best interest of the District per RCW 70.44.320.

See Exhibit A attached.

DATED this 30th day of November 2017

Liahna Armstrong, President
Board of Commissioners

Bob Davis, Secretary
Board of Commissioners

EXHIBIT A

Asset #	Description	Serial #	Model #	Purchase Date	Purchase Price	Accumulated Depreciation	Disposal Proceeds	Gain/(Loss) on Disposal	Final Disposition
4439	EDWARDS EV1000A MONITOR		EV005207	07/16/13	\$20,098.80	\$10,886.73		(\$9,212.07)	
3053	RADIOGRAPHIC XRAY	S3918LL, S3918KR, B205	S3918LL	09/11/07	\$103,669.64	\$103,669.64			TRADE-IN

**KITTITAS VALLEY HEALTHCARE
Capital Expenditure Board Narrative**

Requesting Department: Laboratory

Capital Item Requested: BioFire Molecular Testing

Function of Project: Molecular Testing

Reason Requested: Current vendor went out of business and can no longer get testing panels. We have to send out the test to Quest resulting in a 24 – 48 hour turn-around time. Provider request for a rapid positive blood culture ID which gets the patient on appropriate antibiotics faster and potentially decreasing the length of stay; Dept. of Health recommendation to provide Shiga-Toxin testing onsite instead of waiting 24 – 48 hours to get results from a reference lab.

Budget: \$0

Actual Cost: \$49,215

Submitted By: Stacy Olea, Director – Diagnostic Services

Date: 11/30/2017

**KITTITAS VALLEY HEALTHCARE
Capital Expenditure Board Narrative**

Requesting Department: Internal Medicine

Capital Item Requested: Waiting Room Furniture

Function of Project: Patient seating in waiting area.

Reason Requested: The current furniture is cloth, unsanitary, and over 15 years old. The new furniture will be vinyl to allow for ease of cleaning. There will also be bariatric and high chairs to accommodate patient need and safety.

Budget: \$50,000

Actual Cost: \$21,006

Submitted By: Sherri Haga, Clinic Manager

Date: 11/30/2017

**KITTITAS VALLEY HEALTHCARE
Capital Expenditure Board Narrative**

Requesting Department: CCU/Surgery/Emergency

Capital Item Requested: Lidco Non-Invasive Hemodynamic Monitoring System

Function of Project: The system measures blood pressure, flow, and oxygen levels.

Reason Requested: Currently have two completely different systems in both CCU and Surgery and do not have monitoring system in Emergency. This will replace the Edwards System in CCU that requires invasive central venous access and is very complex to set up and monitor. The proposed system is a non-invasive system and will be standardized through KVH for monitoring of these critical patients as the transition from ED to CCU or Surgery to CCU without added risk of the invasive procedure.

Budget: \$0

Actual Cost: \$55,282

Submitted By: Jeff Holdeman, Director – CCU & MedSurg

Date: 11/30/2017

OPERATIONS REPORT

November 2017

PATIENT CARE OPERATIONS

- Integrated Testing 1.5 was completed the week of November 17. Representatives from all the clinical areas were there to test the functionality of the OneSource EMR system with Test scripts/patients. Details and planning regarding support staff during go-live is underway.
- The Staff of the Urgent Care continue to prepare for the move to 1st Street in Cle Elum. The DOH has approved the latest plans that were submitted. With that, we will be able to occupy the building on Dec. 1 and allow time for minor renovations and additions to the new location.
- With the help of Dr. Hibbs and the hospitalist group, the MS/CCU units are working together to improve the Daily Interdisciplinary Rounding process. We are aware of the importance of closed loop communication within the Care Team and involving the patient with decisions about their care. One avenue to address this is through Interdisciplinary Rounding.
- On November 16 I was able to acknowledge and recognize, through the DAISY Foundation, an extraordinary group of nurses and staff who were instrumental in making a difference in the life of a patient and their family. This was truly a demonstration of TEAMWORK.

Thank you, Vicky Machorro, Chief Nursing Officer

ANCILLARY SERVICES OPERATIONS

- **Diagnostic Services-**
 - 3D Mammography is fully operational and our physicist has stated that it is producing the highest quality images that he has seen.
 - Our PACS upgrade (required to view the images for digital mammography) has been challenging for staff and radiologists alike. We've been encountering a multitude of new problems daily and are working with our IT department, GE and vendors to remedy the problems. GE and MedQ have been very responsive to us, and sent us 5 staff members from across the US to work on site the week of 11/13. They were able to fix the majority of the problems and will continue to keep us as a priority focus. We are very appreciative of the patience shown by our radiology physicians and staff.
 - The x-ray equipment in room 2 has reached the end of its useful life and has been down for repairs, with parts difficult to obtain. We are in the process of planning upgrades to the equipment in room 1 and room 2 to minimize downtime and upgrade to digital equipment.

- **Cle Elum Physical Therapy-**
Our newly hired physical therapist in Cle Elum is quite busy and he receives many accolades from his patients. After only one month of employment his schedule is 70% full. We are developing a MOU with Craig Pigeon from Northwest Physical Therapy to provide managerial oversight for the Cle Elum PT Clinic and continuing in negotiations to purchase that practice.
- **Emergency Preparedness-**
Jim Allen has taken the lead on developing the "All Hazards Emergency Management Plan" for KVH Hospital and Clinics. This is a new requirement of CMS, effective November 15, 2017 and was a tremendous undertaking.
- **Cardiopulmonary-**
On October 31 Teamsters Local 760 filed a petition to represent KVH Respiratory Therapists. We are working with PERC and our labor attorney on the next steps in the representation process.
- **Home Health & Hospice-**
Our average daily census for Hospice has grown to 32 patients with and ALOS of 61 days. We are beginning staff training on the new CMS Conditions of Participation for Home Health, which are effective January 13, 2018. Linda Jacobs, Aggie Sprague and Sally Karam have done a tremendous amount of work to prepare staff for the required changes.
- **340B Program-**
 - Nasser is working closely with Safeway and our 3rd party administrator Verity to determine why claims have not processed in a timely manner. It appears there is a problem in submission of a required patient eligibility file.
 - Downtown Pharmacy is expressing interest in resuming participation as a contract pharmacy and we will be assisting with an analysis of how participating will impact their revenue stream.
 - Cuts to the 340B Program for Medicare Part B are set to be implemented for some hospitals effective January 1. New legislation (H.R. 4392) has been introduced to stop these cuts to the 340B Program.
- **Cle Elum Pharmacy-**
After touring several potential sites for a retail pharmacy in Cle Elum, we have determined the best location is in the lobby of FMC. We have a high level floor plan to share. This location will allow us to have a drive through window for patient convenience.
- **Cle Elum Urgent Care-**
The DOH has approved our functional program for the urgent care and the construction required. Swedish has also given us approval to make the changes required by the DOH, which are minimal. We take possession of the building on December 1 and plan to move on January 8.
- **HRSA Rural Healthcare Outreach Grant-**
Carrie Barr and I are working on submitting an application for this grant which is due December 6. The grant requires a consortium of 3 partners, identified as Hospital District #1, Hospital District #2 and Swedish. Funding is for up to \$200,000/yr for 3 years and

will focus on improving access to care for behavioral health and chronic pain management utilizing telehealth services, mobile integrated health and developing a patient centered medical home for residents in the Upper County.

Thank you, Rhonda Holden, Chief Ancillary Officer

CLINIC OPERATIONS

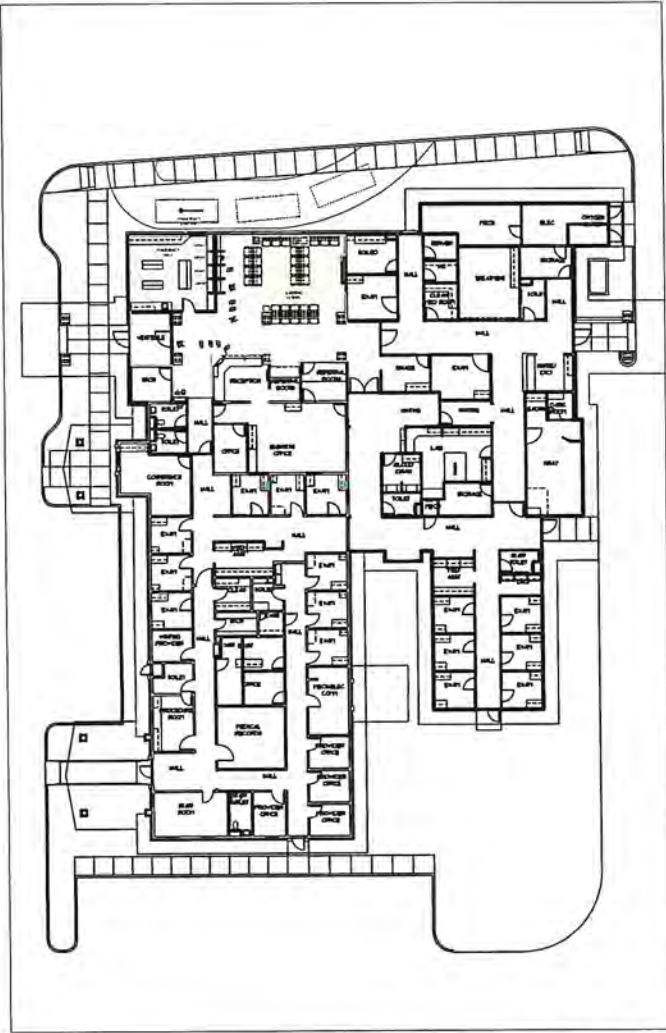
- **KVH Workplace Health:** Mask fit training and equipment install will happen on November 27th. This is an important addition to Workplace Health as this will allow for us to contract with more employers in the county. We have QTC agreements which are for federal employees. We have seen about 8 of these patients so far. Plus, we have signed on two additional employers giving us a total of 12 contracts.
- **Family Medicine - Ellensburg:** Brett White, PA started on November 6th. He started with shadowing Dr. Martin and Jose Diaz, PA during his first week. The following week (the 13th) he began seeing his own patients. Lulu (FME, Clinic Manager) has worked out a transition plan with both Dr. Martin and Brett to assist patients in knowing that Brett is joining the care team. This starts with scripting from the front desk as patients are shifted from Martin's overbooked schedule to Brett's. A letter will also be sent out announcing Brett to the care team.
- **Family Medicine – Cle Elum:** Sarah Heniges, PA has accepted our job offer. Sarah spent 4 months this summer with us in Cle Elum. Truly a great opportunity to train and retain a provider. Thank you to Rob Merkel, PA who was persistent in getting an interview scheduled.
- **Geriatric Nurse Practitioner Program:** With a heavy heart, Jean Yoder GNP has submitted her resignation for November 2018. She is an integral part of this program and was a solo provider for many years. The program began in January 1996 and has served the community in assisted living facilities, skilled nursing facilities and in their own home. We are actively recruiting for her replacement.
- **General Surgery:** Within the General Surgery office, Dr. Master will be using this space once a month beginning in January. Our general surgeons still perform many routine dermatology procedures as does Megan DeSelms, PA at Family Medicine-Ellensburg.
- **Orthopedics:** Dr. Mirich has officially moved to Ellensburg! We are excited to see his schedule full. For our patients that are receiving a total joint replacement, I have started rounding on them while they are in the hospital. I give them a thank you card, my business card and a bone pen (see below). I have rounded on about 15 patients in the last couple of months. This is a great time to express how grateful I am that they selected KVH. Plus, its and opportunity to explain that they could not get this level of service and attention at any other hospital.



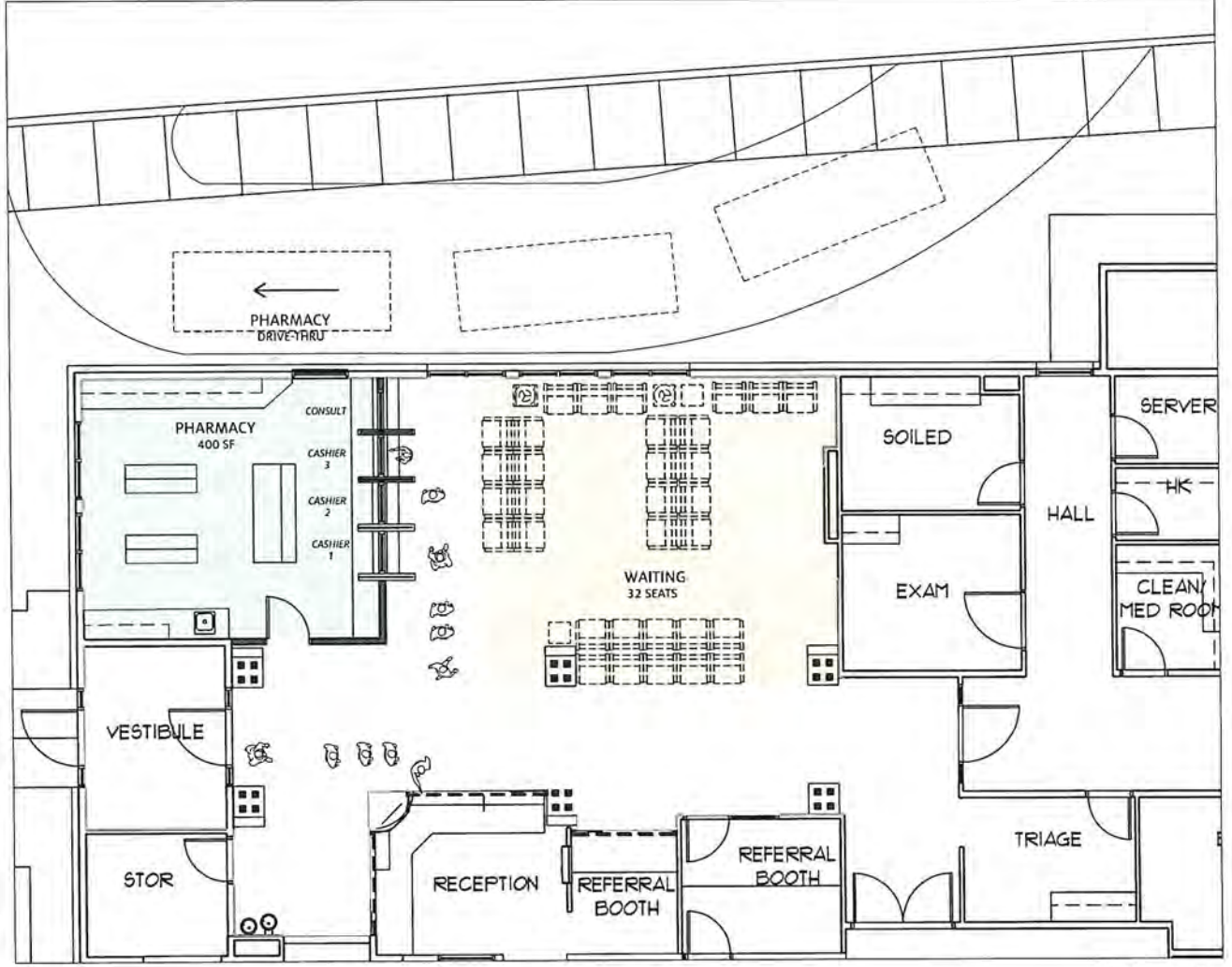
Women's Health: Dr. Ginger Longo is averaging 12-15 deliveries per month. This is an increase from our previous 6-7 deliveries per month.

Volunteering: Dr. Paul Schmitt (retired physician from Family Medicine-Cle Elum) is now volunteering his time at CHCW as a preceptor to the residents at their outpatient clinic. They are lucky to have him!

Thank you, Carrie Barr, Chief of Clinic Operations



1"=30'-0"



1/8"=1'-0"

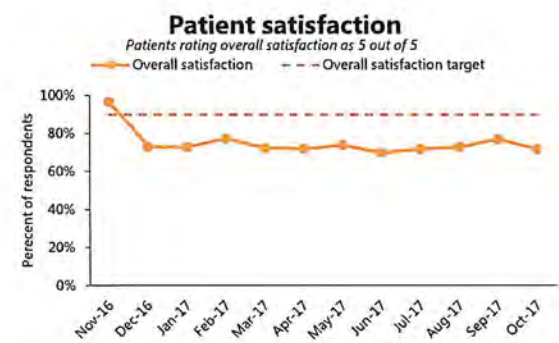
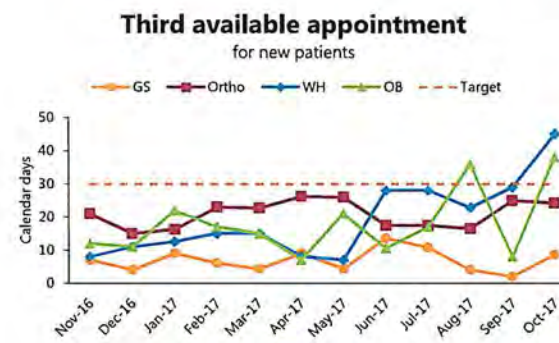
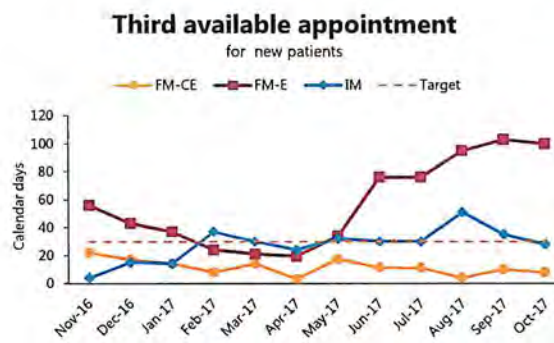
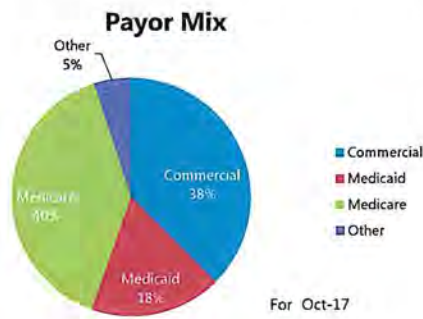
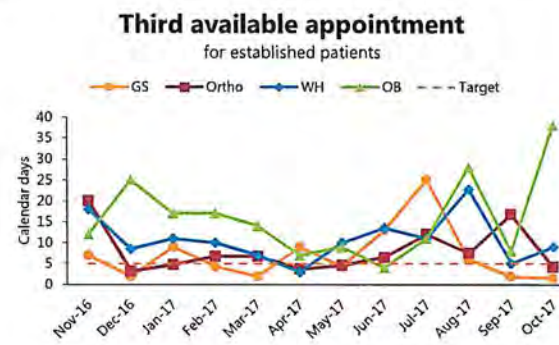
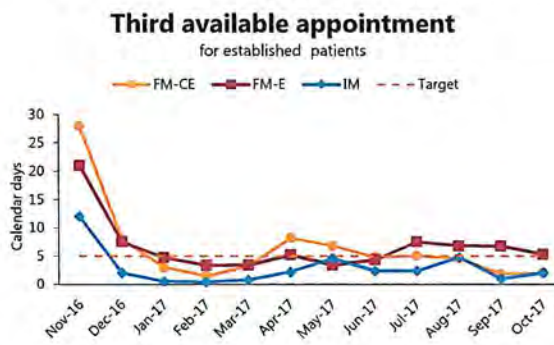
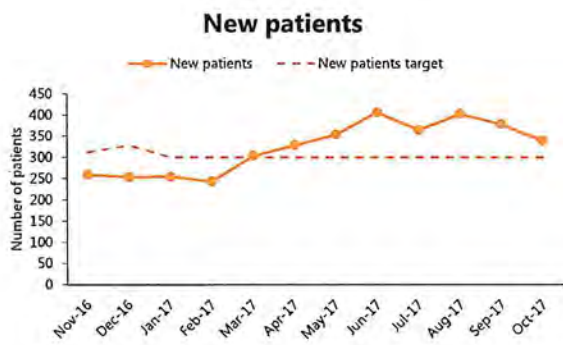
Pharmacy Layout- Option 1

FMC

11/15/2017



Clinic Operations Dashboard





**Kittitas County Public Hospital District #1
2018 Nomination of Board of Commissioner Officers**

2018: President: Matthew Altman
 Vice-President: Bob Davis
 Secretary: Erica Libenow



**KITTITAS VALLEY HEALTHCARE
BOARD OF COMMISSIONERS
2018 COMMITTEES & MEETINGS**

Standing Board Committee	Meeting Schedule	2017 Members	2018 Members	Alternates
Quality Improvement Council	Quarterly	Chair: Liahna Armstrong Matt Altman		<i>Erica Libenow</i>
Finance Committee	Monthly – Tuesday preceding Board Meeting at 7:30 a.m.	Chair: Liahna Armstrong Bob Crowe		<i>Matt Altman</i>
Strategic Planning Committee	Schedule to be determined	Matt Altman Liahna Armstrong		
Joint Districts Committee: Hospital Districts #1 & #2	Schedule to be determined	Erica Libenow Bob Davis		

Special Purpose Committees and/or Responsibilities	Meeting Schedule	2017 Members	2018 Members	Alternates
Medical Executive Committee – Board of Commissioners Liaison	Monthly – 3rd Wednesday at 12:30 p.m.	Bob Davis		<i>TBD</i>
Ad hoc Master Site and Facilities Planning Committee	Varies	Bob Davis Bob Crowe		
The Foundation at KVH – Liaisons to Foundation’s Board	Bi-Monthly – 4 th Tuesday at 5:30 p.m.	Erica Libenow		<i>Matt Altman</i>
Compliance Committee	Every other month	Bob Crowe		<i>Matt Altman</i>

Special Purpose Committees and/or Responsibilities	Meeting Schedule	2017 Members	2018 Members	Alternates
Provider Compensation Committee	Varies			
Community Healthcare Roundtable	Varies	Matt Altman Bob Crowe		
Liaisons with Elected Officials	Varies	Varies		

Kittitas Valley Healthcare Board of Commissioners Planning Calendar 2018

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Regular Meeting	25 5pm	22 5pm	29 5pm	26 5pm	24 5pm	28 5pm	26 5pm	23 5pm	27 5pm	25 5pm	29 5pm	1/3/18 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 2019 Operating and Capital Budgets Approve 2019 Board Committees & 2018 Board Calendar	Update 2018 Operating Budget Election of 2019 Officers
Presentation Subject to Change	Emerging Topic	Emerging Topic	Emerging Topic	Emerging Topic	Financial Audit & Cost Report DZA Emerging Topic	Risk Management Emerging Topic	Healthier Washington TBD\ Emerging Topic	Physician Compliance Foster Pepper Emerging Topic	PHD & Legislative Update AWPHD Emerging Topic	Patient Satisfaction Health Streams Emerging Topic	Federal Reform WSHA Emerging Topic	Emerging Topic
EDUCATION AND CONFERENCES		2 nd -4 th AHA Health Forum Rural Conference Phoenix, AZ	26 th -28 th WRHA Conf. Spokane	26 th -28 th IHI Annual Summit San Diego CA	5 th - 9 th AHA Annual Meeting WA DC CEO/Trustee Summit Seattle-TBD	23 rd - 27 th WSHA Rural Conference Chelan	AHA Rural Hospital Forum Wash., D.C. TBD	5 th -7 th Gov. Institute Governance Support Forum San Francisco CA	24 th - 27 th WSHA Rural Advocacy Days WA DC	11 th - 12 th WSHA Annual Meeting Seattle		
		6 th - 9 th NRHA Rural Health Policy Institute Washington DC							7 th - 10 th Gov. Institute Leadership Conference CO Springs 26 th - 28 th NRHA CAH Conf. Kansas City, MO			

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	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Events			Commun. Round-table 3/28/18: Provider Dinner	Tastes to Treasure Dinner 28 th Foundation Gala	Hospital Week & Meal Service CWU Athletic Hall of Fame Boots & Bling	Community Round-table	Upper County Roundtable	22 nd -KVH BBQ Kids Grow Farmers' Market	Community Roundtable TETWP Rodeo Event		11th Veterans' Day Lunch	Holiday Week Meal Service
Board Finance	23 7:30am	20 7:30am	27 7:30am	24 7:30am	22 7:30am	26 7:30am	24 7:30am	21 7:30am	25 7:30am	23 7:30am	27 7:30am	18 7:30am
MEC	17 12:30P	21 12:30P	21 12:30P	18 12:30P	16 12:30P	20 12:30P	18 12:30P	15 12:30P	19 12:30P	17 12:30P	21 12:30P	19 12:30P
QI Council		12 th 3:30 p.m.		16 th 3:30 p.m.		18 th 3:30 p.m.		20 th 3:30 p.m.		15 th 3:30 p.m.		17 th 3:30 p.m.
Foundation Board	23 rd 5:30P		29 th 5:30P		22 nd 5:30P		24 th 5:30P		25 th 5:30P		27 th 5:30P	
Compliance	11 10am	8 10am	8 10am	12 10am	10 10am	14 10am	12 10am	9 10am	13 10am	11 10am	8 10 am	13 10am
Strategic Planning	TBD											
Joint Districts			TBD				TBD				TBD	
Master Facilities	TBD											
HD #2	15 6:30pm	19 6:30 pm	19 6:30pm	16 6:30p	21 6:30pm	18 6:30pm	16 6:30pm	20 6:30pm	17 6:30pm	15 6:30pm	19 6:30pm	17 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



Approved

Linda Navarre
Compliance Officer

Julie Petersen
Chief Executive Officer

Liahna Armstrong, President
KVH Board of Commissioners

Kittitas Valley Healthcare Compliance Program Table of Contents

- I. Program Purposes
- II. Kittitas Valley Healthcare Vision, Mission and Guiding Principles
- III. Kittitas Valley Healthcare Standards for Business and Professional Conduct
- IV. Compliance Program
 - 1. Written Policies and Procedures
 - 2. Designation of a Compliance Officer and Compliance Committee
 - 3. Conducting Education and Training
 - 4. Developing Effective Lines of Communication
 - 5. Enforcing Standards Through Well-Publicized Disciplinary Guidelines
 - 6. Auditing and Monitoring
 - 7. Responding to Detected Offenses and Developing Corrective Action Initiatives
- V. Program Responsibilities
 - 1. Responsibilities of Employees
 - 2. Responsibilities of Management
 - 3. Responsibilities of the Compliance Officer
- VI. Area/Issue – Specific Compliance Plans

I. Program Purpose

Kittitas Valley Healthcare (KVH) is committed to delivering quality patient care while maintaining the highest of ethical standards. Operating in compliance with all laws and regulations is a standard expected by the community, established by the Board of Commissioners and embraced by Administration.

This program has been designed to ensure that all personnel have the knowledge and resources necessary to help them do their work within the regulations that govern the healthcare business. It also clearly establishes the expectation that all employees will perform their work in an ethical manner at all times. In addition, it is expected that all of KVH's volunteers, agents, contractors, consultants, representatives and vendors will also comply with KVH's standards when acting on behalf of KVH.

Kittitas Valley Healthcare is proud of its employee and representative efforts that have led to our reputation as an organization of honesty and integrity. This Compliance Program is designed to build upon that foundation and ensure that our future actions consistently reflect an ethical approach to healthcare delivery and management.

II. Kittitas Valley Healthcare Mission, Vision and Core Values

Mission

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

Vision

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

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 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 of care.

III. **Kittitas Valley Healthcare Standards For Business And Professional Conduct**

The Kittitas Valley Healthcare *Code of Conduct* contains the established standard expectations for business conduct that all employees must follow. The *Code of Conduct* includes the following requirements:

- Do what's right;
- Ask questions and report concerns;
- Obey the laws governing fair competition, fraud and abuse, lobbying and political activity;
- Follow highest standard of business ethics and integrity;
- Communicate with honesty and candor;
- Maintain security of confidential information or information that belongs to others, including patient information;
- Conflicts of Interest: Board of Commissioners and all staff members are expected to act with undivided and unqualified loyalty to KVH;
- Conduct all business relationships at highest level of integrity free from offers, solicitation of gifts or other inducements;
- Establish and maintain internal controls to protect all assets and maintain accurate and reliable financial records.

The KVH Code of Conduct provides detailed guidance for business conduct in an effort to meet those standards. The Code of Conduct was prepared to give employees a clear understanding of what is expected of them in the work environment. It is intended to supplement KVH policies that are located on KVH Intranet. The Code applies to all KVH employees, as well as to members of the Board of Commissioners, Medical Staff, agents, consultants, representatives and vendors acting on behalf of KVH.

IV. **Compliance Program**

Kittitas Valley Healthcare is committed to the Compliance Program at all levels of the organization. Every KVH representative has a role in maintaining compliance

The Kittitas Valley Healthcare Compliance Program includes the following seven elements:

1. Written Policies and Procedures

The development and distribution of written standards of conduct, as well as written policies and procedures that promote KVH's commitment to compliance.

2. Designation of a Compliance Officer and a Compliance Committee

The designation of a compliance officer and other appropriate committees, charged with the responsibility of operating and monitoring the Compliance Program, and who report directly to the CEO and the governing body.

a. Compliance Officer

The Compliance Officer is the designated individual vested with compliance responsibility for day-to-day operation of the Compliance Program. The Compliance Officer oversees and coordinates the efforts of the Compliance Program. The Compliance Officer reports to the Chief Executive Officer and is responsible to ensure that required elements of the Compliance Program are in place and are functioning as prescribed.

b. **Compliance Committee**

A Compliance Committee has been established to advise the Compliance Officer and assist in the development, implementation and the ongoing operations and monitoring of the Compliance Program within the organization. The Compliance Committee shall include the members of the Senior Management Team, including but not limited to the Chief Executive Officer, Chief Financial Officer, Chief Ancillary Officer, Information Security Officer, Director of Human Resources, Director of Quality and Risk Management, , Chief Nursing Officer, Chief of Clinic Operations, Chief Medical Officer and one of the members of the KVGH Board of Commissioners as a liaison member.

The committee's functions include:

- i. Analyzing the KVH industry environment, the legal requirements with which it must comply, and specific risk areas.
- ii. Assessing existing policies and procedures that address these areas for possible incorporation into the compliance program.
- iii. Working with appropriate KVH departments to develop standards of conduct and policies and procedures to promote compliance with the KVH Program.
- iv. Recommending and monitoring, in conjunction with the relevant departments, the development of internal systems and controls to carry out KVH's standards, policies and procedures as part of its daily operations.
- v. Determining the appropriate strategy/approach to promote compliance with the program and detection of any potential violations, such as through hotlines and other fraud reporting mechanisms.
- vi. Developing a system to solicit, evaluate and respond to complaints and problems.

c. **Compliance Sub-Committees**

Subcommittees support the activities of the Compliance Program, reporting to the Compliance Officer and Compliance Committee. These include:

- i. Revenue Integrity Team (RIT) – This is a working committee and will meet as least on a quarterly basis and as needed to address assigned tasks. The Committee shall include the Compliance Officer, Director of Health Information Management, Director of Revenue Cycle Management, Director of Patient Financial Services, Director of Laboratory Services, Director of Pharmacy Services, Central Billing Officer, Chief Financial Officer and any other members as decided upon by the group or the Compliance Officer. Members are chosen to benefit the Committee from their varying organizational perspectives. This committee is responsible for:
 1. Identifying, addressing, and resolving billing trends or issues arising from identified coding and documentation practices, reports, and patient complaints;
 2. Monitoring and making recommendations, in conjunction with the relevant departments, the development of internal systems and controls to carry out the organization's standards, policies, and procedures as part of its daily operations.
 3. Assisting in determining the appropriate strategy/approach to promote compliance with the Program and detection of any potential violations.

- ii. HIPAA Team – (Members include the Compliance Officer, the Privacy Officer and the Information Security Officer) A committee responsible for:
 - 1. All HIPAA related activities including development and oversight of HIPAA administrative, physical, and technical safeguards
 - 2. Breach investigation, response, and reporting
 - 3. HIPAA risk assessment and implementation of mitigating or remedial measures.

d. Legal Counsel

The Compliance Officer will work closely with Legal Counsel(s) in regard to interpretation of legal standards and requirements and to formulate appropriate responses to compliance findings. Kittitas Valley Healthcare retained Legal Counsel will be utilized for their expertise in such matters as contract language, human resource law and risk management. It is the intent of the program to work closely with expert counsel on specific compliance concerns related to Office of the Inspector General Audits, investigations and initiatives.

e. Other Experts

Other internal or external experts will be called upon to address specific compliance issues on an as needed basis.

3. Conducting Effective Training and Education

The proper education and training of KVH Board of Commissioners, officers, administrators, managers, employees, physicians and other health care professionals, and the continual retraining of current personnel at all levels, are significant elements of an effective compliance program. As part of a compliance program, KVH requires personnel to attend specific training on a periodic basis, including appropriate training in federal and state statutes, regulations and guidelines, and the policies of private payors, and training in corporate ethics, which emphasizes' s commitment to compliance with these legal requirements and policies.

- a. New employee compliance education will be provided at initial orientation. Areas or groups whose job responsibilities involve adherence to specific regulatory standards will have focused education as coordinated by their Department Director and the Compliance Officer. Annual mandatory training will include a review of the Compliance Program.
- b. All Compliance Program education curriculums will be reviewed and approved in advance by the Compliance Officer. The educational program will be continuously improved and modified based upon patterns of reported potential compliance concerns, new regulatory requirements, fraud alerts and results of routine audits. Attendance records will be maintained. An employee's failure to attend mandatory compliance education may be the basis for corrective action, up to and including separate from employment.

4. Developing Effective Lines of Communication

The maintenance of a process, such as a hotline, to receive complaints, protect the anonymity of complainants and to protect whistleblowers from retaliation.

- a. The Compliance Officer will have an "open door" philosophy to encourage the reporting of all possible problems. The availability of confidential reporting and guarantee of non-retribution will be emphasized in all training and education of the Compliance Program.

- b. Written confidentiality and non-retaliation policies are developed and distributed to all employees to encourage communication of concerns and the reporting of incidents of potential fraud.
- c. Compliance reporting mechanisms:
 - i. All employees and representatives of the KVH are to report potential compliance concerns and activities. It is further expected that any individual who becomes aware of a potential compliance issue at KVH will also utilize these reporting mechanisms. These concerns may include a violation of laws and regulations, conflicts of interest and criminal or unethical conduct.
 - ii. A Compliance Hotline is available if an individual is uncomfortable with using the standard channels of communication or has concerns that the normal channels will not be effective. The Compliance Hotline allows anonymous reporting.
 - iii. Reports regarding potential compliance issues will be made by contacting any of the following:
 - a. KVH Department Director, Supervisor or Coordinator;
 - b. Chief Executive Officer or other member of the Senior Management Team;
 - c. The Compliance Hotline;
 - d. Compliance Officer.
- d. All reports of potential compliance concerns will be directed to the Compliance Officer. All reported concerns will be investigated promptly.

5. Enforcing Standards through Well-Publicized Disciplinary Guidelines

The of a system to respond to allegations of improper/ illegal activities and the enforcement of appropriate disciplinary action against employees who have violated internal compliance policies, applicable statutes, regulations or Federal Health Care Program requirements.

- a. KVH employees and representatives who fail to comply with the KVH Code of Conduct or Federal and State laws will be subject to appropriate corrective or disciplinary action according to contractual agreements and/or general KVH policy. This may include separation from employment. Corrective action, conducted by the appropriate level of authority will be fair and consistent with KVH policy.
- b. Compliance with KVH's Code of Conduct is considered in an individual's annual employee evaluation.
- c. All levels of KVH governance and management will work together to ensure compliance with all regulatory standards and policies established by KVH.
- d. KVH will conduct appropriate screenings and background verification of potential contractors and will not contract with companies or individuals that are listed by a federal agency as debarred, excluded, or otherwise ineligible for participation in federal health care programs.

6. Auditing and Monitoring

Use of audits and/or other evaluation techniques to monitor compliance and assist in the reduction of identified problem area.

- a. Annual assessments of potential compliance issues will be conducted. Compliance issues will be prioritized by the perceived risk. Factors for prioritization include consideration of issues that generate the highest volume of potential non-compliant transactions, the highest dollar discrepancies, or a combination of both.
- b. The following sources will assist in identifying potential areas of non-compliance:
 - i. Program bulletins from state and federal agencies or fiscal intermediaries;
 - ii. New rules resulting from changes in federal or state legislation regarding billing and reimbursement methodologies;
 - iii. Office of the Inspector General fraud alerts and other information regarding potential areas of concern;
 - iv. Departmental questionnaires and interviews;
 - v. Analysis of departmental procedures;
 - vi. Seminars and other continuing education;
 - vii. Input from outside consultants with special expertise;
 - viii. Questions from State or Federal agencies, insurance companies, or patients regarding bills;
 - ix. Issues reported through the Compliance Hotline;
 - x. Other sources of information as appropriate.

The Compliance Officer will work with departments to identify potential areas of non-compliance that need to be reviewed and monitored.

- c. Based on the prioritization of issues identified above, specific audits will be developed and carried out to monitor compliance. The frequency and necessity of such audits will be adjusted based on the results of the audits and the ongoing risk assessment process.
 - i. The Compliance Officer or designee may perform audits.
 - ii. The Compliance Officer is authorized to require specific departmental audits be performed to ensure that all applicable requirements are being followed in identified high-risk areas.
 - iii. All billing & coding by contracted agencies for KVH will automatically be considered a high priority area and subject to random audit.
- d. KVH will offer an exit interview questionnaire to all employees whose employment with KVH terminates. One purpose of this questionnaire is to assess if the employee is aware of any compliance concerns in the organization. Whenever possible, KVH will meet with such employees if additional information is needed.

7. Responding to Detected Offenses and Developing Corrective Action Initiatives

Investigation and remediation of identified systemic problems and the development of policies addressing the non-employment or retention of sanctioned individuals.

- a. The Compliance Officer or designee will conduct an investigation of all reported issues. This investigation may be undertaken with the assistance of the KVH applicable department director and /or Compliance Committee members.
- b. Whenever a potential compliance issue has been identified through risk assessment, audit, compliance reporting, investigations or other sources, the Compliance Officer will assure that all issues are promptly addressed.
- c. ***Any and all inquiries from the Office of the Inspector General should be referred to the Compliance Officer or Chief Executive Officer.***
- d. When developing a corrective action plan, the Compliance Officer may obtain advice and guidance from legal counsel. Legal counsel will be retained if there are allegations or evidence of violations of criminal law.
- e. Corrective action will be in accordance with KVH's polices and union contracts.
 - i. Information regarding identified issues of non-compliance, and changes made to correct the problem, will be communicated to all KVH personnel who are involved in the process. This communication should help to ensure that the specific problem does not re-occur.
 - ii. No employee or KVH representative will be retaliated against in any way for the reporting of a potential compliance issue.
- f. Reporting
 - i. If the Compliance Officer, Compliance Committee (including sub-committees), or Administrator discovers there is credible evidence of fraud, abuse, or other inappropriate conduct from any source and, after a reasonable inquiry, has reason to believe that the misconduct may violate criminal, civil or administrative law, then KVH must promptly report the existence of misconduct to the Office of the Internal General (OIG) or the appropriate reporting government agency within a reasonable period, but no more than 60 days after determining that there is credible evidence of a violation. Prompt reporting will demonstrate KVH's good faith and willingness to work with governmental authorities to correct and remedy the problem. In addition, reporting such conduct will be considered a mitigating factor by the OIG in determining administrative sanctions.
 - ii. HIPAA violations must be reported to the Department of Health and Human Services no later than 60 days after the calendar year.
 - iii. The Compliance Officer will prepare reports of the results of risk assessments and the subsequent Work Plans and resolutions. The Compliance Committee will review these reports.
 - iv. The Compliance Officer will generate comprehensive summaries of all compliance activities, including both assessments and audits that will be reported through the appropriate channels including the Board of Commissioners.

V. Program Responsibilities

1. Responsibilities of Employees

The effectiveness of the Compliance Program depends on each person's willingness to bring all potential compliance issues to the attention of the organization. Employees and representatives of KVH unsure as to whether a particular situation raises a compliance issue should report it through the mechanisms according to Section IV.4.c of this document.

- All employees and representatives of KVH are expected to adhere to all KVH Policies and Procedures.
- Adherence to such policies will be an element of performance discussed in each individual's performance evaluation.
- Employees and representatives of KVH are required to report suspected or potential compliance concerns.

2. Responsibilities of Management

Management has the primary responsibility to set KVH's standards for compliance.

Administrative Accountability

The Chief Executive Officer is accountable for ensuring that the Compliance Program is carried out effectively by KVH Department Directors, Supervisors and Coordinators. Promotion of and adherence to compliance will be an element in evaluating the performance of the Chief Executive Officer by the Board of Commissioners.

Department Director Accountability

Accountability elements for KVH Department Directors include that the Compliance Program is carried out effectively in their areas. They are the primary source of information to employees and representatives of KVH. Fulfillment of their responsibilities will include the following elements:

a. Compliance Education Elements for Department Directors:

- i. KVH Department Directors shall communicate the importance of compliance to every employee and representative, both formally and informally, and actively promote the Compliance Program;
- ii. KVH Department Directors shall foster open communications about compliance and answer all questions raised by employees and representatives or obtain the answer;
- iii. KVH Department Directors and the Compliance Officer shall work with Staff Development to facilitate the initial and ongoing training of employees and representatives regarding the Compliance Program.

b. Compliance Knowledge Elements for Department Directors:

- i. Department Directors shall follow the Compliance Program and ensure their employees and representatives follow it.
- ii. Department Directors have a duty and the responsibility to understand the Compliance Program and seek clarification, if needed, to fulfill their obligations and the obligations of those they manage.

c. Compliance Reporting Elements for Department Directors:

- i. Department Directors will ensure that any actual or potential compliance issue they become aware of is reported to the Compliance Officer.
- ii. Department Directors are responsible to ensure that no employee or representative is retaliated against, in any way, for reporting potential compliance issues.

3. Responsibilities of Compliance Officer

The Compliance Officer reports to the Chief Executive Officer and KVH Board of Commissioners. The Compliance Officer is delegated the authority to initiate and take action as necessary relating to potential compliance concerns. The Compliance Office is responsible to oversee the implementation and continuing management of the Compliance Program. Responsibilities also include, but are not limited to, conducting independent investigations and coordinating routine audits on potential compliance matters including all Compliance Hotline calls. Fulfillment of officer responsibilities will include the following elements:

- Coordination of internal audit programs and promotion of awareness and understanding of the standards of business conduct and those required by federal or state law;
- Review of complaints, concerns, or questions relative to compliance issues;
- Establishment of audit controls and measurements for internal processes and ensuring those correct processes are in place for accurate, complete and compliant programs;
- Monitor to resolution all reported potential compliance concerns;
- Assure appropriate actions and discipline take place in response to compliance incidents;
- Trend and report on KVH Compliance matters;
- Review Compliance Program elements and revise as necessary;
- Maintain awareness of laws and regulation, keep abreast of current changes that may affect health care systems through personal initiative, seminars, training programs and peer contact.

VI. Area or Issue-Specific Compliance Plans

All KVH employees will function under the umbrella of this Compliance Program. Departments, in coordination with the Compliance Officer, may incorporate department specific initiatives into their Quality Management Plan and the policies and procedures of their department.

Effective Date:		Dept. of Record:	Quality		
		Policy Originator:	Debbie Barneycastle		
Print Date:		Revision By:	Linda Navarre	Revision Date:	9/13/2017
		Reviewed By:		Review Date:	
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		Board of Commissioners Review		Date Approved	



Non-Retaliation and Non-Retribution for Reporting Policy Compliance

Type: **Policy**
Status: **Official**
Last reviewed:

Page 1 of 3

PURPOSE

Non-Retaliation/Non-Retribution policy is established to reassure employees who wish to report concerns.

KVH is committed to maintaining a culture that promotes the prevention, detection and resolution of incidents of conduct that do not conform to law, regulation, policies and procedure of KVH and KVH Code of Conduct.

Kititas Valley Healthcare understands that employees may not report concerns if they feel that they will be subject to harassment, retaliation or retribution for reporting the concern.

Definitions

Intimidation: actions, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment that makes an employee feel unduly uncomfortable or that their personal safety is at risk, using the standard of what a reasonable person would consider uncomfortable. Instruction, evaluation, or discipline communicated by a supervisor to a subordinate employee is not intimidating behavior as long as done in a professional manner.

Intimidating behavior may be intentional or unintentional. However, it must be noted that where an allegation is made, the intention of the alleged action is irrelevant, and will not be given consideration when meeting out discipline. As in sexual harassment, it is the effect of the behavior upon the individual which is important. KVH considers the following types of behavior examples of intimidation:

- **Verbal Intimidation:** slandering, ridiculing or maligning a person or his/her family; persistent name calling which is hurtful, insulting or humiliating; using a person as butt of jokes; abusive and offensive remarks.

- **Physical Intimidation:** pushing; shoving; kicking; poking; tripping; assault, or threat of physical assault; damage to a person's work area or property; Physical positioning, either by an individual or group, that intimidates or threatens an employee or leader.
- **Gesture Intimidation:** non-verbal threatening gestures; glances which can convey threatening messages;
- **Exclusion:** socially or physically excluding or disregarding a person in work-related activities

Retaliation: any adverse action against the individual because of the individual's good faith report of a concern or participation in an investigation. An **adverse action** includes, without limitation:

1. Termination, demotion, suspension, refusal to hire, and denial of training and/or promotion;
2. Actions affecting employment or contractual relationships such as threats, unjustified negative evaluations, unjustified negative references, or increased surveillance or scrutiny; or
3. Any other actions that are likely to deter a reasonable individual from reporting illegal conditions, violations of law, rules, policies, or procedures, and/or cooperating in/with an investigation

POLICY

Employees have the responsibility to report, in good faith, concerns about actual or potential wrong doing

This policy encourages timely disclosure of suspect misconduct and prohibits any action directed against an employee, manager or staff member for making a good faith report of a concern.

Good faith participation or reporting includes, but is not limited to:

1. Reporting actual or potential issues or concerns;
2. Cooperating or participating in the investigation of such matters;
3. Assisting with or participating in self-evaluations, audits and/or remedial actions; and reporting to appropriate offices.

KVH will maintain an "open door policy" at all levels of management to encourage individuals to report actual or suspected problems and concerns.

Supervisors, managers or employees are not permitted to engage in retaliation, retribution or any form of harassment directed against an employee who reports a concern.

Anyone who is involved in any act of retaliation or retribution against an employee that has reported suspected misconduct in good faith will be subject to disciplinary action.

Any manager, supervisor or employee who engages in retribution, retaliation or harassment against a reporting employee is subject to discipline up to and including dismissal on the first offense.

All instances of retaliation, retribution or harassment against reporting employees will be brought to the attention of the Compliance Officer who will, in conjunction with Human Resources, investigate and determine the appropriate discipline, if any.

If an employee reports a concern regarding his or her own inappropriate or inadequate actions, reporting those concerns does not exempt him or her from the consequences of those actions.

Education plan:

1. Biz Library- new policy notice
2. Department huddle- new policy notice

References:

RCW Chapter 49.60 State law that protects all people in Washington from unfair and discriminatory practices in employment, real estate transactions, public accommodations, credit, insurance, as well as health care whistleblower, and state employee whistleblower complaints.

Related Documents:

- Policy- Employee Conduct-Harassment/Intimidating Behavior
- Policy- Whistleblower
- Policy- Code of Conduct

Effective Date:		Dept. of Record:	Quality		
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		Reviewed By:		Review Date:	
		Committee Review:	Compliance Committee	Date Approved:	9/21/17

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is on the KVH Intranet.

Code of Conduct



KITTITAS VALLEY HEALTHCARE

MISSION

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

VISION

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

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 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 of care.

**All of the guiding principles are of equal importance. They are not listed in any order of priority.*

Letter from the CEO

As employees who interact with patients and their families, community members, and suppliers, you represent KVH and the ethical decisions you make on a daily basis affect the reputation of the organization.

At KVH, we do a good job of doing what's right. And we do this with the added challenge of working in a small community, where our patients and their families are often our friends, neighbors, and loved ones. Thanks to you, KVH is trusted within the community.



In the increasingly complex business world that we live in, you may face a decision when it's not clear what the right choice is. This Code of Conduct was designed to help you with those difficult decisions. Please remember that it's okay to ask for help when you need it. Making the right decision the first time is important.

Thank you for representing KVH – and thank you for helping us keep the trust of the communities that depend on us.

Julie Petersen, CEO
Kittitas Valley Healthcare

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Introduction

Kittitas County Public Hospital District #1, dba KVH has a long tradition of striving to improve the health and well-being of each person we serve. To complement that excellence in patient care, we continually stress business ethics and integrity in all of our dealings with patients, Physicians, payers, vendors and others.

The KVH Code of Conduct was prepared to give employees a clear understanding of what is expected of them in the work environment. It is intended to supplement KVH policies which are located on KVH Intranet and provide general guidelines on conduct. The code applies to all KVH employees, as well as the Board of Commissioners, medical staff, agents, consultants, representatives and vendors acting on behalf of KVH.

Compliance Program

KVH has a Compliance Program that supports adherence to this Code of Conduct.

Policies and Procedures

KVH has established compliance standards and procedures that address the compliance issues most applicable to the organization. In developing compliance standards and procedures, KVH promotes its high business and clinical standards by identifying the areas of most concern to KVH and taking steps to address them.

Oversight

KVH has designated a Compliance Officer, who is responsible for overseeing KVH's implementation of and adherence to the Compliance Program. In addition, high-level organization personnel have been appointed to a Compliance Committee to advise the Compliance Officer and assist in the implementation of the Compliance Program.

Education and Training

KVH conducts periodic education and training sessions to help ensure that employees are aware of the applicable laws and regulations and federal health care program requirements, as well as KVH's policies and procedures. The goal of the training is to provide employees with the information they need to perform their jobs on behalf of KVH in a compliant manner.

Reporting Concerns

When questions arise about compliance with applicable laws, any Federal health care program (or private payor) requirements, or KVH's policies and procedures, employees are expected to seek advice and guidance from the Compliance Officer.

Monitoring and Auditing

KVH conducts periodic monitoring and auditing of risk areas to identify potential problems. Monitoring and auditing activities are conducted by the Compliance Officer or in coordination with internal or external auditors.

Enforcement and Discipline

KVH's Compliance Program and personnel policies include procedures for enforcing Compliance Program requirements and for disciplining individuals who violate KVH's compliance standards. A failure or refusal by any person to comply with any portion of this Code of Conduct, KVH's policies and procedures, or applicable laws and regulations shall be grounds for disciplinary action. Documentation of any violation and disciplinary action will be recorded in the employee's personnel file.

Response and Prevention

If a compliance violation is detected, KVH is committed to taking all reasonable steps to investigate, respond appropriately, and prevent future compliance violations; including making any needed changes to its Compliance Program.

Code of Conduct

Do What's Right

In the course of doing your job, you may encounter a variety of ethical and/or legal issues. Many of these issues will be covered in this Code of Conduct. Some won't be included because no code can cover all circumstances or anticipate every situation.

Situations not covered here should be decided in a way that is consistent with KVH's values and principles. It's therefore important that state and federal laws must always be obeyed, regardless of whether they are mentioned in this code.

All employees are responsible for their own behavior. If you find yourself in a situation not addressed by this code, or by administrative, clinical or departmental standards, ask for clarification.

Ethical behavior by all employees, at all times, is necessary to preserve KVH reputation for integrity and lawful conduct – an asset that is vital to our continued success.

Note: No supervisor, clinician, officer or director at KVH has the authority to require or approve any action by any employee that would violate the law or the standards published in this Code of Conduct.

Asking Questions and Reporting Concerns

If you, as a KVH employee, have a question or concern about a violation or a suspected violation of the Code of Conduct, there are resources available to address your concern. The reporting process includes the following steps:

1. Talk to your supervisor. If you aren't comfortable talking to your supervisor, then...
2. Talk to a higher-level manager. If you aren't comfortable talking to a higher-level manager, then...
3. Talk to someone in Human Resources, Quality/Risk Management, or Compliance. You can also...
4. Call the Confidential KVH Hot Line at 509 933-7570, report concern in electronic incident reporting system, write a memo to the Compliance Officer, or email compliance@kvhealthcare.org . Messages will be handled during usual daytime business hours by the Compliance Officer.

KVH encourages employees with a question or a concern about a potential violation (their own or someone else's) to contact the Compliance Office for clarification. The Compliance Officer maintains an open door policy and is committed to offering prompt guidance.

Every employee is required to report any known or suspected violation of the Code of Conduct or related policies. The Compliance Officer will initiate investigations of every appropriate report of a code violation that cannot otherwise be solved.

Note: Reports can be made anonymously. Managers who receive a report of a violation from an employee will, to the best of their ability, keep the identity of that employee confidential if the employee requests confidentiality. KVH strictly prohibits retaliation against an employee who, in good faith, reports a violation or a suspected violation, or who cooperates with an investigation. Any employee who does retaliate is subject to disciplinary procedures, including termination of employment. Both Washington state and federal law also prohibit retaliation against employees for any good faith reporting of behavior or activity prohibited by the Code of Conduct or state and federal laws.

Confidential Hot Line: 509-933-7570

Obey the Law

KVH complies with federal, state and local regulations. Department leaders are responsible for assuring that their departments are in compliance with federal, state and local law, regulatory agencies.

Obeying the law is the personal responsibility of every member of the KVH team. While this applies to all laws, there are specific laws that our employees need to be aware of, including:

Fair Competition

Antitrust and similar laws regulate competition. Prohibited conduct includes:

- Agreements to fix prices, bid rigging and collusion (including price sharing) with competitors
- Boycotts, certain exclusive-dealing and price-discrimination agreements
- Unfair trade practices, such as bribery, stealing trade secrets, deception and intimidation

Tax

As a Public District Hospital, KVH is obligated to pursue activities that promote the health and well-being of the community it serves. All KVH resources must be used for the public good, and not for the private or personal interests of any employee. KVH employees will:

- Avoid compensation arrangements in excess of fair market value
- Accurately report payments to the appropriate taxing authorities
- File all tax and information returns required by law

Fraud and Abuse

KVH expects its employees to refrain at all times from conduct that may violate federal and Washington state fraud and abuse laws. These laws prohibit:

- Direct, indirect or disguised payments in exchange for referring patients
- Intentional submission of false, fraudulent or misleading claims to any payer
- Making false statements to gain or retain participation in a program or to get paid for a service

Violations of these laws can result in criminal and/or civil penalties (for example, penalties can be as much as three times the amount billed).

Additionally, federal law allows individuals to participate in federal false claims actions if the individual has personal and independent knowledge of the false claim, sometimes referred to as "whistle blowing." In some cases, a whistle blower may be allowed to share a percentage of recovery in a successful false claims action. Most false claims actions take many years to be processed through court systems.

Falling under the fraud and abuse laws are a number of other guidelines that cover:

- **Medical necessity.** This is a key consideration for clinicians as they decide which treatment and testing options their patients will require. An option must be “medically necessary” before a claim can be submitted to a federally funded health-care program.
- **Professional services.** These are to be billed in the name of the clinician who is (a) authorized to provide the service and (b) actually performed the service. The only exceptions are services billed in the name of a “clinical supervisor” as outlined in Medicare’s “Incident To” provisions or Physicians at Teaching Hospitals (PATH) regulations.
- **Documentation and coding.** All clinicians must maintain documentation and coding to support their services. Correct documentation includes using the right diagnosis codes, selecting procedure codes that accurately reflect the service provided and documenting that service in the patient’s medical record. Only specifically trained and supervised staff can enter charges for services. All other personnel, including billing staff, are prohibited from making modifications to billing or diagnostic codes.

Lobbying/Political Activity

KVH expects each of its employees to refrain from engaging in activity that may jeopardize the status of the organization, including a variety of lobbying and political activities. For instance:

- KVH is prohibited from using its resources to support or oppose any candidate for public office.
- No individual, acting on behalf of KVH, will contribute any money, property or services of KVH to any candidate, party, organization or committee to support or oppose any political candidate.
- KVH may publicly offer recommendations on legislation or regulations, and may analyze and take public positions related to KVH operations, when its experience may help clarify the issues involved.
- All KVH contract and dealings with government bodies and officials must be honest and ethical.

Note: KVH employees may support candidates or campaigns as private individuals, using their own money and resources.

Business Ethics

To further KVH's commitment to the highest standards of business ethics and integrity, employees will accurately and honestly represent KVH and will not engage in any activity or scheme intended to defraud anyone of money, property or honest services.

Honest Communication

KVH requires candor and honesty from its employees in all business situations. No employee will make a false or misleading statement to or about

- A patient, person or entity doing business with, or competing with, KVH
- The products or services of KVH or its competitors
- Surveyors, auditors and/or attorneys

Misuse of Information that Belongs to Others

KVH employees will not misappropriate or dishonestly use information that is confidential or does not belong to them. This includes:

- Using any publication, document, computer program, information or product in violation of third party's interest
- Improperly copying documents or computer programs in violation of copyright laws and licensing agreements
- Using confidential business information obtained from competitors – such as customers lists, price lists and contracts – to provide an unfair competitive advantage to KVH

Confidentiality

KVH employees will strive to maintain the confidentiality of patients and other confidential information in accordance with applicable legal and ethical standards. HIPAA policies will be followed at all times, please see individual HIPAA policies.

KVH and its employees have access to a wide variety of confidential and sensitive information. All employees are obligated to protect this information and make sure that it is not released, disclosed or used to harm individuals, KVH business partners or KVH itself. This information includes:

Patient Information

Employees will not reveal any personal or confidential information about patients unless there is a legitimate business or patient-care reason, and all required authorizations to release information have been obtained. If in doubt, ask a supervisor, a manager or the

Privacy Officer. KVH HIPAA policies are an additional resource found on the KVH Intranet.

KVH Information

Information, ideas and intellectual-property assets of KVH are important to our success. Information about business strategies, along with payment and reimbursement information, should be protected and shared only with employees who require that information as part of their jobs. The same applies to information related to negotiations with employees and other parties.

Note: Patents, trademarks, copyrights and software licenses should be carefully maintained and managed to protect and preserve their value.

Personnel Actions/Decisions

Salary, benefit and other personal information about employees is strictly confidential, including:

- Personnel files
- Payroll information
- Disciplinary and similar information

The above information can only be shared with employees who need it to do their jobs.

Conflict of Interest

Directors, Officers, Board of Commissioners, committee members and key employees have a duty to act with undivided and unqualified loyalty to the organization. Persons holding such positions may not use their positions to profit personally or to assist others in profiting in any way at the expense of the organization. For further details see the Conflict of Interest policy.

Business Relationships

Business transactions with vendors, contractors, third-party payers and government entities will be made free from offers, solicitation of gifts and favors or other improper inducements in exchange for influence or assistance in a transaction.

This applies to all KVH employees. The goal is to avoid even the appearance of improper activity, and nothing in this policy prohibits a business unit or a supervisor from establishing even stricter rules and regulations.

Gifts and Tips

It is the desire of KVH to at all times preserve its integrity. To ensure that this objective is met:

- Employees are prohibited from soliciting or accepting tips, gratuities or personal gifts from patients and/or their families. Anyone who offers a gift of money or significant assets should be referred to the KVH foundation at 509-933-8669.
- Employees will not accept gifts, favors, services, entertainment or anything of value to influence a decision that affects KVH. Similarly, to offer or give money or anything of value to influence any purchaser, supplier, customer, government official or other person by KVH is absolutely prohibited. These types of conduct must be reported immediately to either the Compliance Officer or Administration.
- Employees may not accept "excessive" gifts from suppliers, vendors, etc. They are also discouraged from accepting "significant" gifts and are asked to use good judgment in accepting any gift. Consult with your supervisor if you are unsure about taking a gift. Any gift accepted is subject to review to avoid a conflict of interest.

Employees may, however, accept unsolicited non-monetary gratuities or gifts of a nominal value, such as cookies, flowers or candy if the gift would not influence, or reasonably appear to others to be capable of influencing, the employee's business judgment. If possible, these gifts should be shared with co-workers.

At a vendor's invitation, employees are allowed to accept meals or refreshments at the vendor's expense, as long as not done on a regular basis.

Note: If you have any doubt as to whether specific conduct is acceptable, contact your supervisor or the Compliance Officer.

Contracting

All business relations with contractors must be ethical and comply with all KVH policies. Also:

- Employees must disclose any personal or business relationships with a contractor that may influence the employees' performance or duties.
- Employees must discuss any potential conflict-of-interest situation with management, to obtain clarification.

Bribes and Improper Payments

KVH employees may never try to gain advantage through the improper use of payments, business courtesies or other incentives. Appropriate commissions, rebates,

discounts and allowances are customary and acceptable as long as they are approved by KVH management and aren't illegal or unethical payments. Any such payments must be:

- Reasonable in value
- Competitively justified
- Properly documented

Also, payments must be made to the business to which the original agreement or invoice was issued. Payments should not be made to employees or agents of business.

Note: Offering, giving, soliciting or receiving any form of a bribe or other improper payment is always prohibited.

Protection of KVH Property

All employees will strive to preserve and protect the assets of KVH by making prudent and effective use of KVH resources and properly and accurately reporting its financial condition.

To help ensure KVH's financial health, the following principles should be used as guidelines:

Internal Control

KVH has established standards and procedures to make sure that all assets are protected and properly used, and that all financial records are accurate and reliable. All employees should follow these standards and procedures.

Financial Reporting

Improper financial reporting violates KVH policy and may violate state and/or federal laws. Among the documents that must always be true and accurate are:

- Accounting records
- Financial reports
- Employee reimbursement request
- Time sheets

Keeping Records

KVH has a Paperwork/Electronic Retention Standard – including rules to specify what must be saved and what can be destroyed – that all employees must follow. If KVH is served with a subpoena, or there is reason to believe a subpoena may be served, all relevant documents must be saved. Also if a violation of this code is reported or suspected, all documents related to that real or potential violation must be saved. Any

data stored on your workstation, laptop, and any other electronic devices is property of KVH.

Travel

Travel expenses should always be consistent with both the employee's job and the needs and resources of KVH. Employees should not lose money – or make money – as a result of business travel, and should always use good judgment and spend KVH's assets as if they were spending their own. See Travel and Education policy.

Personal Use of KVH Property

KVH assets cannot be converted to personal use. All KVH property such as workstations, laptops and any electronic devices will be used to conduct business and to promote the best interests of KVH, rather than the personal interests of employees. All employees must receive advance approval before working at an outside activity on company time.

Note: KVH equipment, supplies, materials and services may not be used for personal or non-work purposes without management permission.

Government Investigations

Governments investigations are becoming more common in today's health-care environment and do not necessarily reflect any wrongdoing on the part of KVH or any of our employees. In the event you are involved in an investigation, the particular circumstances might dictate how you should react. For instance:

Indirect Contact

If a federal, state or other regulatory agency investigator arrives at a KVH, contact the senior administrator on-call and the House Supervisor. Only these authorized personnel are to respond to investigators, so you should ask that the investigator(s) not proceed until one or more of these people are present.

Direct Contact

If a federal, state or other regulatory-agency investigator contacts you directly, either at work or at home, you should contact Administrator on call or your Director. Although the decision on how you respond is your own, you do have the right not to respond and to first consult with an attorney. Neither of these actions implies that you aren't willing to cooperate fully.

Questions involving investigations, or your rights as an employee if you are involved in an investigation, can be answered by the Quality/Risk Management Department or Compliance Officer.

Note: No KVH employee should ever make false or misleading statements to any government investigator or try to persuade another employee to make statements that are anything but true.

Note: Please see the Record Retention Policy for information on saving documents relevant to a government investigation.

Discipline for Code Violations

KVH expects each employee to follow the rules and principles contained in this Code of Conduct. Failure to follow the code may lead to disciplinary action that may include:

- Verbal warning
- Written warning
- Suspension without pay
- Termination of employment

In the event that an employee is covered by the terms of a collective-bargaining agreement, discipline will meet the terms contained in the agreement. Also, supervisors may be disciplined for failure to adequately instruct their staff, or for failing to notice violations of this code when reasonable diligence would have led to the discovery of violations and given KVH an opportunity to correct them.

Note: Nothing in this Code of Conduct is meant to provide additional employment or contract rights to employees or other persons. KVH reserves the right to modify or alter this code without any advance notice.

Effective Date:	2/2015	Dept. of Record:	Compliance		
		Policy Originator:	Debi Barneycastle		
Print Date:		Revision By:	Linda Navarre	Revision Date:	6/1/17
		Reviewed By:	Compliance Committee Board Representative	Review Date:	6/9/17
		Committee Review:	Compliance Committee	Date Approved:	6/9/17
		Approved by:	Board of Commissions	Date Approved:	6/22/17

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is on the KVH Intranet.

November 30, 2017 Board Packet Clippings/Information

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Funds Raised to Support Local Breast Cancer Efforts

Ellensburg, Wash. (October 30, 2017) – Community-wide efforts resulted in donations of \$11,000 to The Foundation at KVH to support local breast cancer screening and education within Kittitas County.

The largest portion of the funds was raised in a single day. For the past several years, the Ellensburg Rodeo Association and The Foundation at KVH have partnered with local volunteers to turn Sunday of the Ellensburg Rodeo into Tough Enough to Wear Pink Day. This year, \$7,000 was raised on rodeo Sunday through donations and sales of Tough Enough to Wear Pink merchandise.

In addition, volunteers with the local Tough Enough to Wear Pink committee and The Foundation at KVH raised over \$3,000 through merchandise sales at Kittitas Valley Healthcare.

The final contributions to this year's total came through fundraising events held at Ellensburg businesses Gard Vintners and Grapes and Crepes.

Tough Enough to Wear Pink funds donated to The Foundation at KVH provide free mammography screenings for women in need and breast cancer education materials in our community.

"Every year the support in our community surrounding the Tough Enough to Wear Pink campaign continues to grow," said Michele Wurl, director of The Foundation at KVH. "Research has shown that early detection is key in the fight against breast cancer, and these donations are helping us get that message out and give individuals access to the services they need."

Tough Enough to Wear Pink is a national campaign sponsored by Wrangler.

For more information on the Tough Enough to Wear Pink fund at The Foundation at KVH contact the Foundation Office at (509) 933-8669.

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STATE OF THE UNIVERSITY

Washington state Supreme Court Justice Mary Yu tells audience to use their passion to help others.
Local, Page A3

4-H AWARDS

4-H handed out its annual end-of-the-year awards for various achievements in 2017.
Scrapbook, Page B1



DAILY RECORD

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Good afternoon
Tuesday
November 7, 2017
75 cents

Bail set at \$2 million in Ellensburg murder case

Man accused of stabbing girlfriend

BY DAILY RECORD STAFF

Bail was set at \$2 million on Monday for an Ellensburg man accused of second degree murder-domestic violence in Kittitas Superior Court. David J. Heneghen, 47, of Ellensburg is accused of killing his girlfriend Amy L. Bayley, 44, of Ellensburg, whose body was found in the Yakima River Canyon on Oct. 28, according to the report. The two lived together at 203

W. Capitol Ave. in Ellensburg, according to a probable cause affidavit from the Ellensburg Police Department. The report said that the body appeared to have been transported in the location and discarded over an embankment, and was not visible from the road. Heneghen, who was read his rights, initially denied knowing what happened to Bayley under questioning from police. He later confessed to stabbing Bayley during an argument in the

house around Oct. 8, the police statement said. Heneghen told police he kept Bayley's body in the house for several days before moving it to a shed in the back, and then taking it to the Yakima Canyon with the help of a person he didn't identify, the statement said. Police received a check welfare incident on Oct. 19 when a friend of Bayley called to say Bayley hadn't been heard from for two weeks. Police contacted Heneghen, who said it was not uncommon for Bayley to not contact him for more than a week and he wasn't concerned.

The body was found on state Route 821 in the Yakima Canyon on Oct. 28. The Kittitas County Sheriff's Office was the initial responder. Heneghen's next appearance is scheduled for 1:30 p.m. on Monday in Kittitas Superior Court. BRYAN METZCK / DAILY RECORD David Heneghen enters the courtroom for a hearing before Judge Scott R. Sparks at the Kittitas County Courthouse, Monday. Heneghen is accused of second-degree murder in the stabbing death of his girlfriend Amy Bayley.



Digital mammography at KVH



Stacy Olea looks over a new 3D mammography scanner at KVH Hospital, Friday. The machine features rounded edges and a more ergonomic design, making the experience more comfortable for patients.

3D mammography now available locally

BY MATT CARSTENS
staff writer

When it came to designing the new digital mammography clinic at KVH, Director of Diagnostic Services Stacy Olea had two things she wanted to focus on — patient comfort and the environment. "We changed paint colors, we changed flooring, waiting room furniture," Olea said, detailing the remodel of the new space, which also includes a private waiting room, private changing rooms and new, fuzzy robes. The waiting room features a few new chairs along with a coffee machine, water and other amenities. "I don't know a single patient that looks forward to having a mammogram," Olea said. "So we wanted to do what we could to make it a more pleasant experience." The machine making that experience a little more tolerable is the 3D digital mammography equipment manufactured by General Electric. Besides the option for 2D or 3D mammograms, it also features computer-aided detection, and a more comfortable design. The machine features rounded edges and a more ergonomic

design, making the experience as comfortable as it can be, instead of adding insult to injury by jabbing sharp corners into armpits and using handle bars to force patients into even more uncomfortable positions. "It's one of the only machines designed by a woman," Olea said. "The other thing that's nice is the paddles. When the old machines compressed they compressed flat. These actually flex, so it's not as much painful pressure on the breast when you use them."

SWITCHING TO DIGITAL
The switch to digital mammography started in 2016, and was a focus of The Foundation at KVH fundraising. Along with acquiring the machine, the hospital also needed to make some upgrades in its IT department, since it would need to store more 2D and 3D images, the latter of which takes up a lot of storage space. "The film was all downstairs in the basement," Olea said. "You could put your hand on it and pull it when you needed it, but to go digital and 3D digital, it was a significant amount of storage."

More MAMMOGRAMS | A5



A new 3D mammography scanner is operational at KVH on Friday. The community assisted with fundraising for the new equipment.

Texas gunman checked each church aisle

SUTHERLAND SPRINGS, Texas (AP) — The gunman who killed 26 people at a small-town Texas church went aisle to aisle looking for victims and shot crying babies at point-blank range, a couple who survived the attack said. Rosanne Solis and Joaquin Ramirez were sitting near the entrance to the First Baptist Church on Sunday when they heard what sounded like firecrackers and realized someone was shooting at the tiny wood-frame building. In an interview with San Antonio television station KSAT, Solis said congregants began screaming and dropped to the floor. She could see bullets flying into the carpet and fellow worshippers falling down, bloodied, after getting hit. For a moment, the attacked seemed to stop, and worshippers thought that police had arrived to confront the gunman. But then he entered the church and resumed "shooting hard" at helpless families, Solis said. The gunman checked each aisle for more victims, including babies who cried out amid the noise and smoke, Ramirez said.

More GUNMAN | A5

ROOF RAKE
\$39.95

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



Mammograms/from A1

The main difference between 2D and 3D is that a 2D digital mammogram is more like a traditional mammogram, while a 3D mammogram acts more like a CT scan, slicing images of the breast into cross sections that allow the radiologist to scroll through multiple images, which decreases the likelihood of additional imaging.

"The good news is it's about the same amount of radiation as a regular film," Olea said. "You're getting much better quality, less chance of recalls, with less exposure in the same amount of time."

The newest 3D technology has been shown to detect cancers better and earlier than traditional film mammography and 2D digital mammography. KVH is working to convert all of their imaging services to digital in the next few years.

COMMUNITY SUPPORT

The community has supported the effort to upgrade the equipment, with 160 private donors and businesses contributing nearly \$80,000. Of the total, \$15,000 was donated by the KVH Auxiliary, which raises funds through the gift shop and espresso stand at the hospital. The Tough Enough to



Patients are treated to a comfortable dressing room area as they enter the new mammography center at KVH.

Wear Pink program generated another \$5,000.

Several businesses contributed to the campaign by holding public events.

OPENING FOR BUSINESS

The department started offering 2D services in early October, and just received its certification for 3D services, which began on Oct. 31. Olea said they are seeing about 17 patients a day,

Monday through Thursday.

"We're hoping we can increase our business and bring a lot of the community back here so they don't have to leave town," Olea said. "That's really one of the driving things, we wanted to offer the best technology possible to our community members and that's how we get the support of the foundations to make a lot of this possible."

Gunman/from A1

The couple survived by huddling close to the ground and playing dead. Solis was shot in the arm. Ramirez was hit by shrapnel.

About 20 other people were wounded. Investigators collected at least 15 empty magazines that held 30 rounds each at the scene, suggesting the assailant fired at least 450 rounds.

The gunman, Devin Patrick Kelley, had a history of domestic violence that spanned years before the attack and was able buy weapons because the Air Force did not submit his criminal history to the FBI as required by military rules.

If Kelley's past offenses had been properly shared, they would have prevented him from buying a gun, the Air Force acknowledged Monday.

Investigators also revealed that Kelley had sent threatening text messages to his mother-in-law, a member of the church, before the attack, and that sheriff's deputies had responded to a domestic violence call in 2014 at his home involving a girlfriend who became his second wife.

Later that year, he was formally ousted from the Air Force for a 2012 assault on his ex-wife in which he choked her and struck her son hard enough to fracture his skull.

At a news conference in South Korea, President Donald Trump was asked if he would support "extreme vetting" for gun purchases in the same way he has called for "extreme vetting" for people entering the country. Trump responded by saying stricter gun control measures might have led to more deaths in the shooting because a bystander who shot at the gunman would not have been armed.

"If he didn't have a gun,



Meredith Cooper, of San Antonio, Texas, and her 8-year-old daughter, Heather, visit a memorial of 26 metal crosses near First Baptist Church in Sutherland Springs, Texas, Monday. The gunman of a deadly shooting at the small-town Texas church had a history of domestic violence and sent threatening text messages to his mother-in-law, a member of First Baptist, before the attack, authorities said Monday.

instead of having 26 dead, you would have had hundreds more dead," Trump said.

In the tiny town of Sutherland Springs, population 400, grieving townspeople reeled from their losses. The dead ranged from 18 months to 77 years old and included multiple members of some families.

"Our church was not comprised of members or parishioners. We were a very close family," said the pastor's wife Sherri Pomeroy, who, like her husband, was out of town when the attack happened. "Now most of our church family is gone."

The couple's 14-year-old daughter, Annabelle Pomeroy, was among those killed. Kelley's mother-in-law sometimes attended services there, but the sheriff said she was not at church Sunday.

The massacre appeared to stem from a domestic situation and was not racially or religiously motivated, Texas Department of Public Safety Regional Director Freeman Martin said. He did not elaborate.

Based on evidence at the scene, investigators believe Kelley died of a self-inflicted gunshot wound after he was

out the domestic violence complaint involving him and his then-girlfriend. People in the house said there was no problem, and no arrests were made. Kelley married the girlfriend two months later.

Also in 2014, he was charged with misdemeanor animal cruelty in Colorado after a neighbor reported him for beating a dog. Kelley initially refused to speak with officers about the incident. He denied abusing the animal but complied with an order to pay almost \$370 in restitution. He was also the focus of a protective order issued in Colorado in 2015.

Kelley lived in New Braunfels, about 35 miles north of the church, and had recently started a job as an unarmed security guard at a nearby resort.

As he left the church, the shooter was confronted by an armed resident — later identified as Stephen Williford — who had grabbed his own rifle and exchanged fire with Kelley.

Williford had help from another local resident, Johnnie Langendorff, who said he was driving past the church as the shooting happened. The armed resident asked to get in Langendorff's truck, and the pair followed as the gunman drove away.

"He jumped in my truck and said, 'He just shot up the church. We need to go get him.' And I said 'Let's go,'" Langendorff said.

The pursuit reached speeds up to 90 mph. Williford told Arkansas TV stations KHBS/KHOG that he kept a 911 operator advised of the situation during the chase. The gunman eventually lost control of his vehicle and crashed.

Williford walked up to the vehicle with his gun drawn, and the attacker did not move. Police arrived about five minutes later. Langendorff said.

OBITUARY

KEVIN DAVID COOK

Kevin David Cook, 58, of Cle Elum, passed away at his home on October 24, 2017 from natural causes. Funeral services will be held at 1:00 p.m. on Friday November 10, 2017 at Steward & Williams Tribute Center in Ellensburg. Burial will follow at the Laurel Hill Cemetery in Cle Elum.

Kevin was born on January 19, 1959 in Denver, Colorado to Ronald & Donna (Adrian) Cook. He grew up on the western slope of Colorado in Glenwood Springs and attended high school there. After graduation, Kevin made his way in life working for 27 years in Alaska, working in various capacities in industrial maintenance, construction and woodworking. This, of course, could be traced to his childhood when he asked for a toolbelt for Christmas when he was seven years old. He was a skilled craftsman and enjoyed taking a piece of wood and turning it into something beautiful — including building a 20' commercial fishing vessel for a friend.

In addition to being a perfectionist, Kevin was a very analytical person and could easily look at a complicated problem, think on it for a while and then arrive at a solution. He loved the outdoors and felt his best when he was one with nature. He hated shoes and preferred to be barefoot as much as he could. He enjoyed gardening and growing many fruits

and vegetables, all of which he gave to others. He loved animals — including adopting many stray kittens over the years and, although he often did many things that nobody understood, was a kind, caring and gentle person.

The best way to sum up Kevin's life is through a quote from Henry David Thoreau, which reads "If a man does not keep pace with his companions, perhaps it is because he hears a different drummer. Let him step to the music which he hears, however measured or far away."

Kevin is survived by his parents, Ron & Donna Cook of Ellensburg; sisters Terri (Michael) Parsons of Glenwood Springs, Colorado and Diana (Art) Moriello of Anchorage, Alaska; brothers Mark (Shelia) Cook of Puyallup and Robert-Kelly Cook of Cle Elum; son Kristopher Hutson of Casper, Wyoming and longtime friend and companion Shelia Thompson also of Casper. He is also survived by many nieces and nephews as well as his many friends. Memorial contributions in Kevin's honor are suggested to any cause that betters the beauty and preservation of the outdoors. Steward & Williams Tribute Center has been entrusted with caring for Kevin's family.

STEWART & WILLIAMS
TRIBUTE & CREMATION CENTER

DEATH NOTICES

HENRY JOHN "HEINIE" KLOCKE

Henry John "Heinie" Klocke, 78, of Wenatchee and former long-time resident of Ellensburg, died Wednesday, November 1, 2017. Arrangements are in the care of Heritage Memorial Chapel, East Wenatchee, WA.

SHIRLEY JEAN BAMFORD

Shirley passed away Oct. 18th 2017. She was 83. She leaves 5 children Ken Bamford (Caroline), Cheryl Erickson (Dale), Laurie Hasbrouck (Ken), Patty McDermed (Darren), and Harvey Bamford (Lisa), 5 Grandchildren, and 5 Great Grandchildren. She loved playing cards and Mexican Train

REGIONAL DIGEST

OLYMPIA
Washington voters to decide balance of power in Legislature

Voters in the suburbs east of Seattle will determine whether the Washington state Senate will remain the only Republican-led legislative chamber on the West Coast.

Tuesday's race for the 45th District, one of eight special elections for the state Legislature this year, has broken all previous legislative spending records in the state because of the significance of the outcome. As of Monday, more than \$8.7 million had been spent on the race, with much

of it — about \$5.9 million — being spent by third-party groups.

Republicans, with the help of a Democrat who caucuses with them, currently control the Senate by a single seat. If the Washington Senate flips, the state will join Oregon and California with Democratic one-party rule in both legislative chambers and the governor's office.

Democrat Manika Dhingra and Republican Jinyoung Lee England are seeking to serve the last year of a four-year term left vacant by last year's death of Republican Sen. Andy Hill. The winner will need to run again in 2018.

From wire services

Submit your 2018 event for the Daily Record's annual calendar featuring photos of Kittitas County taken by our award-winning photographer.

CALL FOR EVENTS
FOR THE 2018 CALENDAR YEAR

E-mail event name and dates ONLY to cdalton@kvnews.com NO later than 5pm, Wednesday, Nov. 8.

Now offering 3D digital mammography

Advanced technology

Catches more cancers, earlier

Better, clearer images

Fewer follow-up exams needed

Designed for patient comfort

Ask your provider about choosing 3D digital mammography.

KVH

In Seoul, Trump calls for North Korea to 'make a deal'

SEOUL, South Korea (AP) — In a striking shift of tone, President Donald Trump abandoned his aggressive rhetoric toward North Korea on Tuesday, signaling a willingness to negotiate as he urged Pyongyang to "come to the table" and "make a deal."

Trump, in his first day on the Korean peninsula, again pushed Pyongyang to abandon its nuclear weapons program, but sounded an optimistic note, saying confidently, if vaguely, "ultimately, it'll all work out." And while he said the United States would use military force if needed, he expressed his strongest inclination yet to deal with rising tensions with Pyongyang through diplomacy.

"It makes sense for North Korea to come to the table and make a deal that is good for the people of North Korea and for the world," Trump said during a news conference alongside South Korean president Moon Jae-in. "I do see certain movement."

Trump said he's seen "a lot of progress" in dealing with North Korea though he stopped short of saying whether he wanted direct diplomatic talks.

Trump also underscored the United States' military options, noting that three aircraft carrier groups and a nuclear submarine had been deployed to the region. But he said "we hope to God we never have to use" the arsenal.

And at an evening banquet, Trump teased an "exciting day tomorrow for many reasons that people will find out." He did not elaborate.

During his first day in South Korea, Trump at least temporarily lowered the temperature on his usually incendiary language about the North. There were no threats of unleashing "fire and fury" on North Korea, as Trump previously warned, nor did Trump revive his derisive nickname for North Korean dictator Kim Jong Un, "Little Rocket Man."

But he did decree that the dictator is "threatening millions and millions of lives, so needlessly" and highlighted a central mission of his first lengthy Asia trip: to enlist many nations in the region, including China and Russia, to cut off Pyongyang's economic lifeline and pressure it into giving up its nuclear program.

Moon, who has been eager to solidify a friendship with Trump, said he hoped the president's visit would be a moment of inflection in the stand-off with North Korea and said the two leaders



President Donald Trump and South Korean President Moon Jae-in arrive for a guest book signing ceremony at the Blue House in Seoul, South Korea, Tuesday. Trump is on a five-country trip through Asia traveling to Japan, South Korea, China, Vietnam and the Philippines. Also pictured are first ladies Melania Trump, and Kim Jung-sook, right.

had "agreed to resolve the North Korea nuclear issue in peaceful manner" that would "bring permanent peace" to the peninsula.

"I know that you have put this issue at the top of your security agenda," said Moon. "So I hope that your visit to Korea and to the Asia Pacific region will serve as an opportunity to relieve some of the anxiety that the Korean people have due to North Korea's provocations and also serve as a turning point in resolving the North Korean nuclear issue."

Trump did bemoan that previous administrations had not handled Pyongyang, saying "Now is not the right time to be dealing with this but it's what I got."

He began his day in South Korea with a visit to Camp Humphreys, a joint US-Korean military base, but even as he walked among the weapons of war, he struck a hopeful note, saying, "it always works out."

Much as he did in Japan, Trump indicated he would place the interlocking issues of security and trade at the heart of his visit. He praised South Korea for significant purchases of American military equipment and urged the two nations to have more equitable trade relationship. Moon said the two agreed on lifting the warhead payload limits on South Korean ballistic missiles and cooperating on strengthening South

Korea's defense capabilities through the acquisition or development of advanced weapons systems.

Trump also pushed his economic agenda, saying that the current US-Korea trade agreement was "not successful and not very good for the United States." But he said that he had a "terrific" meeting scheduled on trade, adding, "hopefully that'll start working out and working out so that we create lots of jobs in the United States, which is one of the very important reasons I'm here."

At Camp Humphreys, Trump shook hands with American and Korean service members and sat with troops for lunch in a large mess hall, a visit intended to underscore the countries' ties and South Korea's commitment to contributing to its own defense.

But Trump was expected to skip the customary trip to the demilitarized zone separating north and south — a pilgrimage made by every U.S. president except one since Ronald Reagan as a demonstration of solidarity with the South. Trump has not ruled out a military strike and backed up his strong words about North Korea by sending a budget request to Capitol Hill on Monday for \$4 billion to support "additional efforts to detect, defeat, and defend against any North Korean use of ballistic missiles against the United States, its deployed forces, allies, or partners."

House tax panel adopts GOP changes after day of bickering

WASHINGTON, D.C. (AP) — After a day of partisan bickering over whether the Republicans' sweeping tax plan would truly help the middle class, a key House panel on Monday approved late changes. Lawmakers restored the tax exemption for employees receiving child care benefits from their companies, but also put new requirements on a tax credit used by working people of modest means.

The House Ways and Means Committee voted 24-16 along party lines to adopt the amendment from its chairman, Rep. Kevin Brady, R-Texas. The changes were made to the complex GOP tax legislation put forward last Thursday.

The vote on the amendment capped a rancorous marathon session in which Republicans and Democrats argued heatedly over the nearly \$6 trillion plan. Democrats repeatedly lodged objections to the bill, especially to its limits on prized deductions for

homeowners and its repeal of the child adoption credit and the deduction for medical expenses.

It was the first of what are expected to be several days of work on the bill, as Republicans drive to push legislation through Congress and to President Donald Trump's desk by Christmas.

Republicans focused on findings by Congress' nonpartisan Joint Committee on Taxation that the bill would lower taxes across all income levels over the next several years.

"Clearly this is helping real people. It's helping teachers, it's helping students, it's helping struggling families that are living paycheck to paycheck," said GOP Rep. Erik Paulsen of Minnesota.

Democrats returned repeatedly to a section of the analysis showing taxes would actually go up beginning in 2023 for some 38 million taxpayers or families making \$20,000 to \$40,000 a year.

NATIONAL DIGEST

RICHMOND, VA.

Voters in New Jersey and Virginia to pick new governors

Voters in New Jersey and Virginia are choosing new governors Tuesday in contests that could be an early referendum on President Donald Trump.

In swing-state Virginia, most polls show a close race between Republican Ed Gillespie and Democratic Lt. Gov. Ralph Northam. New Jersey will get a successor to unpopular GOP Gov. Chris Christie in the race between Democrat Phil Murphy and Republican Lt. Gov. Kim Guadagno. Murphy holds a double-digit lead

in polls over Guadagno.

The stakes are high as both parties seek momentum ahead of next year's mid-term elections. Democrats haven't won any special elections for Congress this year and the next Virginia governor will have a major say in the state's next round of redistricting, when Congressional lines are drawn. Republicans are looking for a boost as their party is beset by intraparty turmoil between Trump and key Republicans in Congress.

Incumbent governors in both states, Democrat Terry McAuliffe in Virginia and Christie in New Jersey, are term-limited.

From wire services

November 16 is National Rural Health Day

Rural America's health professionals, hospitals, and clinics are dedicated to delivering high quality and innovative care to their communities.

Celebrating the successes

Rural health is unique.

Health care professionals in rural America are able to focus on building personal relationships with patients and families. In rural communities, patients and care providers are often already friends, neighbors, or loved ones.

Critical Access Hospitals (CAHs) provide essential healthcare to rural communities across 45 states, and on average bring 204 jobs to the local economy. In Kittitas County, that number is greater than 500.


The total time rural patients spend in the ER is 56 minutes less in rural hospitals than urban hospitals.


Addressing the challenges

Rural workforce education and training programs are needed to help recruit, retain and increase the number of well-qualified medical providers for rural veterans.

Rural healthcare is built around partnerships. CAHs and other health providers in rural areas listen to their local communities to create health delivery systems designed specifically for the population they serve.

Learn more at www.nosorh.org





KVHC
Kittitas Valley Healthcare
Your Home for Health



WILDCAT FOOTBALL

CWU looks to finish a perfect season with a win against Humboldt State on Saturday.
Sports, Page A5

AUDUBON PROGRAM

Retired forester Doug Kuehn will recount his travels in Kenya and Rwanda during the November Kittitas County Audubon Society program on Thursday.
Outdoors, Page B1



DAILY RECORD

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Good afternoon
Friday
November 10, 2017
75 cents

County commissioners discuss hangar sale with airport board

Buyer's offer no longer on the table

BY TIM GRUVER
staff writer

Kittitas County commissioners met with the county's Airport Advisory Committee on Wednesday about an offer to buy hangars at the Bowers Field Airport in Ellensburg, though an offer is no longer on the table.

An undisclosed buyer proposed purchasing the airport's main hangar and 12 T-ee hangars last month, though County Public Works Director Mark Cook said the offer had a

limited timeframe that has expired.

During a meeting about the proposal Oct. 30, Commissioner Obie O'Brien said that he wanted to meet with the Airport Advisory Committee before making a decision. Commissioners heard an earful on Wednesday.

"For me, there are times that government can move quickly, but it's very rare," O'Brien said. "Having not had time to actually hear the comments from the committee, it seemed to me appropriate to step back, even if we lost possibility of the sale, just to get an understanding of what the flight community had in mind with their concerns so we could

address them appropriately."

Central Washington University's aviation program is a major airport user. Dean of College Education Paul Ballard said CWU had concerns about the sale.

"I think it happened a little too quickly," Ballard said. "Without any discussion previous to that of how that is going to affect our ability to perform and so forth, as well as what does that really mean in our operations, as well as having a different landlord running the facility, I think there was just not enough time or adequate discussion. So we oppose that based on those issues."



Members of the Kittitas County Airport Advisory Committee met with Kittitas County commissioners Wednesday about a number of issues.

More AIRPORT | A3

KINDNESS IN ACTION



Students and families fill the gym at Lincoln Elementary School during the Kindness Fair, Wednesday.

BRUN MERRICK | DAILY RECORD

Fair illuminates actions of others

BY MATT CARSTENS
staff writer

What started out as a small way to try to address student behavior has turned into a movement — and a popular one at that.

The Kindness Fair hosted by Lincoln Elementary School Wednesday night packed the hallways and gymnasium of the brick building on Capitol Avenue, with parents and students from around the school district perusing the different projects that are the culmination of the district-wide book study on the novel "Wonder" by R.J. Palacio. The novel chronicles a boy with facial differences who enters a public elementary school for the first time.

"The idea of spreading kindness more vigilantly started with Lincoln and Mount Stuart Elementary School assistant principal Joanne Duncan as a way to curb poor behaviors. Duncan said she thinks the idea has worked, and mainly because teachers, administrators and students are keeping an eye out for it.

"I think when you become



Members of the Lincoln Music Club perform during the Kindness Fair at Lincoln Elementary School, Wednesday.

BRUN MERRICK | DAILY RECORD

intentional about looking for something, you start to see it everywhere," Duncan said. "We really start to see and notice kindness everywhere and you start to see kids starting to notice that."

Lincoln Principal John Graf compared to his experience with a white Subaru he purchased. It wasn't until he bought

the car that he started noticing them everywhere.

"We're starting to look for it and highlight it," Graf said. "Kids are starting to understand that they're choosing kindness not because they get something out of it, but because it's the right thing to do. It's how human beings should interact with each other."

KINDNESS PROJECTS

Community members interacted and took pictures of the projects that lined the walls and hallways, while listening to songs performed by the Lincoln Music Club and Ellensburg School District string students.

More KIND | A3

Elliott now in lead in Hospital District race

BY DAILY RECORD STAFF

Rich Elliott has pulled ahead in the race for a Kittitas County Hospital District 1 seat, and is now leading Bob Crowe by 21 votes, according to the Kittitas County Auditor's Office.

Additional ballots were counted Thursday evening, and Elliott now has 2,513 votes, or 50.2 percent, to Crowe's 2,492 votes, or 49.8 percent. Crowe was leading by nine votes after Tuesday's count.

Crowe was appointed to the position last year.

Elliott, Ellensburg's city mayor, withdrew from the race and didn't campaign. His name still appeared on the ballot.

Elliott said Wednesday it was not his intent to accept the position. He said would talk to the hospital board, depending on the outcome of the race.

Crowe declined comment on Wednesday.

The five-member Hospital District 1 board oversees the operation of Kittitas Valley Healthcare.

Turnout is 35 percent with 8,699 ballots counted countywide. The results are scheduled to be certified on Nov. 28. The outcome of other races wasn't affected by the latest count.

Coming Saturday



Cle Elum-Roslyn School District students mark Veterans Day with annual assembly.

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



Local media,

It's been just over two months since we began the Ouchless ER offering at KVH Hospital. Many local community groups, foundations, business owners, and residents worked together to turn the original vision into a functioning program. We have highlighted some of the key contributors in a media release below.

I am also attaching a photo for your use.

Photo caption (L-R): KVH Director of Emergency Services Dede Utley, Rotary Club of Ellensburg Downtown President Patrick Garmong, The Foundation at KVH Director Michele Wurl, Community Foundation of Kittitas County CEO Bob Crowe, KVH CEO Julie Petersen

Community Donations Made Ouchless ER Possible

Ellensburg, Wash. (November 20, 2017) – In early September, the Emergency Department at KVH Hospital introduced a new offering for young patients called Ouchless ER. The original concept was brought forward as a way to make a visit to the Emergency Department friendlier for children. That concept was embraced by local community groups, foundations, business owners, and residents who worked together to turn the original vision into a functioning program.

The Rotary Club of Ellensburg Downtown hosted a champagne brunch over Labor Day Weekend in support of the project. Rotary Club members organized sponsorship donations from 21 local businesses that resulted in a total donation of \$5,500 to the Ouchless ER fund. The Community Foundation of Kittitas County provided an additional \$5,000 in matching funds.

The Ouchless ER was one component of The Foundation at KVH's 2017 annual campaign. The campaign focused on improving the overall experience for pediatric patients at Kittitas Valley Healthcare services. The annual Foundation gala in May 2017 raised just under \$30,000.

In-kind donations were provided by Wood Products Northwest for cabinetry and other improvements to Emergency Room 8. Local artist Lucy Beck donated her time to paint a colorful and cheerful mural within the primary pediatrics treatment room.

Ouchless ER Overview

The Ouchless ER focuses on three E's to make visits as painless and anxiety-free as possible. These include the environment, equipment, and education.

Environment improvements include a child-friendly mural and the concealment of frightening-looking medical equipment inside cabinets.

New equipment helps take the pain out of procedures. Examples include the Buzzy Bee (an ice and vibration device that reduces pain for injections), the use of adhesive glue instead of stitches when possible, and an Accuvein device to make vein location easy if an IV is needed.

Education focuses on training from child life specialists to teach or refresh staff about age-appropriate ways to reduce stress and anxiety. In many cases, simple distractions are used to focus the child's attention away from the treatment they are receiving.

For more information about Ouchless ER at KVH Hospital visit <http://www.kvhealthcare.org/hospital-services/emergency-department/ouchless/>.

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3D Digital Mammography Open House

Ellensburg, Wash. (November 27, 2017) – In late October, KVH Hospital began offering 3D digital mammography with computer aided detection. A public open house is slated for December 12 from 4:30 to 6:00 p.m. to showcase the new service.

The open house will provide the community with an opportunity to tour the upgraded mammography suite, see the new equipment, and speak with staff from the Imaging Department.

The first 50 attendees will receive a small gift bag. All attendees may enter to win a \$50 gift certificate to a local spa and salon. Light refreshments will be provided.

Bringing digital mammography to Kittitas County was the focus of The Foundation at KVH's fundraising efforts in 2016. 3D digital mammography with computer aided detection is the most advanced mammography technology. From a patient's perspective, a 3D mammogram is the same as any other type of mammogram. However, the newest 3D technology has been shown to detect cancers better and earlier than traditional film mammography and 2D digital mammography.

"Though the procedure is the same, the new mammography unit makes the exam much more comfortable," said KVH Director of Diagnostic Services Stacy Olea. "The new unit uses all rounded corners to eliminate all of the sharp edges that you find on older models." Other smaller touches to make the exam more comfortable include new plush robes and a more relaxing and soothing environment in the mammography suite.

Breast cancer is the second leading cause of cancer deaths among women in the United States. According to the Centers for Disease Control and Prevention, some women may be at a higher risk for breast cancer because of their personal or family medical history. Recommendations for how often women should receive mammography screening depend on a woman's age, individual health, and family history of disease. Women should talk to their healthcare provider to determine a screening schedule that is right for them.

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https://www.dailyrecordnews.com/news/elliott-leads-crowe-in-hospital-district-race/article_2009c8c3-cdee-58f4-b7ea-51cb6b9fc48b.html

Elliott leads Crowe in hospital district race

By DAILY RECORD STAFF Nov 22, 2017



Buy Now

Rich Elliott leads Bob Crowe by 28 votes in the race for Kittitas County Hospital District 1 Commissioner 4 after a count Wednesday of ballots remaining in the Nov. 7 general election.

77

The latest count — Elliott at 2,550 and Crowe at 2,522 — increased Elliott's lead in the race by seven votes and pushed the margin outside of the range that mandates an automatic machine recount. The election results will be certified on Tuesday. Kittitas County Auditor Jerry Pettit has said valid ballots which were cast overseas or by military personnel could still be counted if they arrive prior to Tuesday's validation date.

While the margin currently is barely above the recount level, that could change prior to Tuesday. Pettit said there are still about 75 ballots (countywide) where there were either no signatures or questions about signatures. Those people have been contacted and have until Monday at 5 p.m. to update or provide signatures. Pettit said as of Wednesday it is unknown how many of those ballots will be added to the vote count.

Pettit said the canvassing board will meet again Monday and review any envelopes that could potentially be added to the vote count. The losing candidate also has the option to pay for a recount.

HOSPITAL BOARD

The five-member elected hospital board oversees operation of Kittitas Valley Healthcare.

Since Crowe was appointed, if he doesn't win when the count is validated, he will lose his position on the board. He had no comment Wednesday.

If Elliott is certified as the election winner, he will be elected to the board. At that point he will need to take action to resign if he decides to not fill the position. If that occurs, the board would appoint to fill the position.

Elliott withdrew his candidacy in July, but his name still appeared on the ballot.

He said Wednesday would make a decision on Tuesday when the results are certified about whether to accept the seat if the vote count remains in his favor.

Elliott is Ellensburg's mayor. There have been differing legal opinions on whether he has a conflict of interest serving on the hospital board and City Council. He has one month left of his city term.

Elliott said he agrees with a city legal opinion that it wouldn't be a conflict, but would step down from the City Council for the month of December anyway.

"I'm not looking to create a controversy over something that doesn't really make a difference," he said of the one month remaining of his city term.

The City Council's second meeting in December usually doesn't have a heavy agenda. The Council could choose to seat the winner of Elliott's seat, Nancy Goodloe, a month early or leave it empty, he said.

Pettit said there is no prohibition from serving in two elected positions at once. Pettit said the only prohibition is having your name on the ballot twice for different positions (with the exception of precinct committee officer). Pettit said there are couple examples in the state of people currently holding two elected positions.

Daily Record Staff



MAC AND CHEESE

This American comfort food leads a double life, but only some of us know the secret. Do you?

Homestyle, Page B1

WARRIOR BASKETBALL

The Cle Elum-Roslyn High School boys basketball team is looking to leave last year behind

Sports, Page A5



DAILY RECORD

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Good afternoon
Wednesday
November 29, 2017
75 cents

ELECTION RESULTS CERTIFIED

New hospital board member



Kittitas County Commissioner Paul Jewell, Prosecutor Greg Zempel, and Auditor Jerry Pettit fill out the paperwork to certify the Nov. 7 election results at the Kittitas County Courthouse, Tuesday.

Rich Elliott accepts hospital board position; will step down early as mayor

BY MICHAEL GALLAGHER
assistant editor

Rich Elliott will accept the position of Kittitas County Hospital District 1 Commissioner 4 at the hospital board's meeting on Thursday.

On Tuesday afternoon the Kittitas County Auditor certified the results of the Nov. 7 election with Elliott defeating Bob Crowe by 30 votes, 2,557 to 2,527. The margin falls outside of the range that would trigger an automatic machine recount.

Elliott defeated Crowe even though he withdrew from the race in July. His decision to withdraw came too late for his name to be removed from the ballot. "I have notified the hospital

board that I will accept the seat," Elliott said. "My intent is to be sworn in at Thursday's meeting." Elliott said public support for him taking the position changed his mind.

"I had more than dozens of people both inside the hospital and in the community ask me to look at it from the perspective that I should not refuse the decision of voters."

The five-member hospital board oversees the operation of Kittitas Valley Healthcare. Since Crowe had been appointed to fill a vacancy on the



Elliott

hospital board, as soon as the results were certified he lost his position on the board, according to the county Auditor's Office.

RESIGNING CITY SEAT

Elliott also is on the Ellensburg City Council, currently serving as mayor. Elliott said there were differing legal opinions on whether he could complete the final month of his city council term while serving on the hospital board, and he decided to resign from the city council on Wednesday to resolve any potential conflicts.

A legal opinion from KVH and a letter from the hospital board president in September 2016, when the vacancy first opened for appointment, said there was a conflict risk. A city of

Ellensburg legal opinion found no conflict, Elliott said.

Bill Scheffer is Ellensburg's mayor pro tem, and will take over those responsibilities for the remainder of Elliott's term. The City Council on Monday will consider the early appointment of Nancy Goodloe to the Council, according to city staff. Goodloe won Elliott's old City Council seat in the November election.

Elliott said he decided to withdraw from the race because of his concerns that the early stages of the campaign were focused on personal and negative issues. Elliott, who is the deputy fire chief at Kittitas Valley Fire and Rescue, said he can bring a background in public health and mental health issues to the board.

North Korea fires ICBM

Trump threatens sanctions

WASHINGTON (AP) — The Trump administration threatened new sanctions on North Korea on Wednesday after the exclusive government shattered 2½ months of relative quiet with its most powerful weapon test yet, an intercontinental ballistic missile that some observers believe could reach Washington and the entire U.S. Eastern Seaboard.

President Donald Trump tweeted that he spoke with Chinese President Xi Jinping about Pyongyang's "provocative actions," and he vowed that "additional major sanctions will be imposed on North Korea today. This situation will be handled!" Trump's top diplomat, Rex Tillerson, said the U.S. could target financial institutions doing business with the North.

The U.N. Security Council, meanwhile, was due to hold an emergency meeting Wednesday afternoon.

The fresh deliberations about new forms of punishment for North Korea came after its government said it successfully fired a "significantly more" powerful, nuclear-capable ICBM it called the Hwasong-15. Outside governments and analysts concurred the North had made a jump in missile capability.

A resumption of Pyongyang's torrid testing pace in pursuit of its goal of a viable arsenal of nuclear-tipped missiles that can hit the U.S. mainland had been widely expected. But the power of the missile and suddenness of the test joined the Korean Peninsula and Washington. The launch at 3:17 a.m. Wednesday local time — early Tuesday afternoon in the U.S. capital — indicated an effort to perfect the element of surprise and obtain maximum attention in the U.S.

In a government statement released through state media, North Korea said the Hwasong-15, the "greatest ICBM," could be armed with a "super-large heavy nuclear warhead" and is capable of striking the "whole mainland" of the U.S. The North said the missile reached a height of 2,780 miles and traveled 590 miles before accurately hitting a sea target, similar to the flight data announced by South Korea's military.

Nuclear sludge at Hanford put in safer storage

Sludge moved into modern, double wall tanks

SPOKANE (AP) — After 19 years of work to safeguard nuclear waste dating from the Cold War, workers at Hanford have managed to remove virtually all of the radioactive waste from 16 aging underground steel tanks at risk of leaking.

The sludge left over from the production of plutonium for nuclear weapons was transferred from the old single-walled tanks into modern double wall tanks that are considered much safer, the U.S. Department of Energy said in a statement provided to The Associated Press Monday.

While the event is regarded as a major milestone for the Hanford Nuclear Reservation, the waste removed came from only one of the facility's 12 tank farms containing radioactive waste.

A general contractor is in the final stages of removing waste from one of the tanks, which has a capacity of 530,000 gallons, the energy department said. It has stored waste since 1947 and officials suspect it has been leaking. Cleanup of the waste at Han-

ford has been underway since the 1980s and is expected to last for decades, costing an additional \$100 billion.

Hanford was established by the Manhattan Project during World War II to make the plutonium for the nuclear bomb dropped on Nagasaki, Japan, and most of the plutonium during the Cold War.

The site is half the size of Rhode Island and is located in south-central Washington near the small city of Richland.

Hanford officials decided in 1997 that waste would first be removed from the tanks that are now nearly emptied because several were suspected of leaking. There are 133 more single-walled underground tanks at the additional tank farms.

State officials said the emptying of the tanks on the farm is a good step forward but underscores the lengthy additional cleanup work that lies ahead.

"It's taken longer than we had hoped, but still we're very happy to see retrievals completed at the first Hanford tank farm," said Alex



HANFORD, WASH. (AP)

The Hanford Nuclear Reservation in Richland. After almost two decades of work, the government has nearly finished removing radioactive wastes from a first group of underground storage tanks.

Smith, of the state Ecology Department's nuclear waste program at Hanford. Hanford has 149 of the single-walled tanks containing about 56 million gallons of some of the most toxic waste on the planet. The site has 28 of the newer and larger double-walled tanks.

Efforts to permanently dispose of tank waste stored at Hanford have stalled. The energy department is in the process of building a long-delayed factory the site that would convert the tank waste into glass-like logs to be stored in a national repository, if one is ever built.

Christmas Look

DEC. 8
 4PM - \$1,000
 7PM - \$1,000
 9PM - \$1,000

DEC. 15
 4PM - \$1,000
 7PM - \$1,000
 9PM - \$1,000

DEC. 22
 4PM - \$1,000
 7PM - \$1,000
 9PM - \$1,000
 11PM - \$1,000

LEGENDS
 (PUB. & BOTT.)

—HOTEL OPEN # 217 726 0311 637 5241—

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



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	Moved to 1/4/18 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 Committees & 2018 Calendar	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 AWPHD 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 6 th – 9 th 2018 NRHA Rural Health Policy Institute Washington DC	15th-16th WRHA Conf. Spokane 2018-IHI San Francisco		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	12 th – 13 th WSHA Annual Meeting Seattle		

	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