

Kittitas Valley Healthcare
Board of Commissioners
December 29, 2016
KVH Conference Rooms A/B

BOARD MEMBERS PRESENT: Matt Altman (by telephone), Liahna Armstrong, Bob Crowe, Bob Davis, Erica Libenow

KVH STAFF PRESENT: Julie Petersen, Libby Allgood, Carrie Barr, Vicky Machorro, Rhonda Holden, Mandee Olsen, Amy Diaz, Carrie Youngblood

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

1. At 5:00 p.m., President Liahna Armstrong called the special Board meeting to order. Matt Altman was in attendance at the meeting by telephone.

2. **Approval of Agenda:**

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

3. **Consent Agenda:**

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

4. **Quality:**

Mark Andrews, Assistant Administrator of Supply Chain and Procurement, gave a presentation regarding the implementation of the Lean process in the Cardio Pulmonary Department. He showed before and after photos of how supplies were stored and restocked in the department. The new system and process greatly improves stock rotation and replacement. Staff is able to quickly see and get needed items in a hurry as needed for patient care. He reported that he has worked with several departments and staff is confident that the Materials Management Department will be able to meet their needs in both daily and emergent situations.

Mandee presented Part 3 of her Quality Department presentation focusing on Board of Commissioner responsibilities related to Quality Assurance for patients. Some of the main responsibilities of the Board members are appointment and approval of the medical staff for the hospital, approval of the hospital's Quality Improvement Performance Plan, and adherence to the critical access hospital regulations.

The Board members reviewed the QI Council summary and dashboards. Mandee Olsen noted that KVH has a four-star HCAPS rating for patient satisfaction.

5. **Public Comment/Announcements:**

None.

6. **Emerging Healthcare Topic:**

None.

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

Julie Petersen announced that 30 applicants applied for the Director of Information Technology with Jack Schwartz being selected as the finalist for the position. She noted that Mr. Schwarz has extensive information technology experience and his first day at KVH will be January 30th. Julie distributed information about the Washington Rural Healthcare Collaborative to the Board members and reported that the Admin Team will be meeting with staff from this organization. Julie reported that she has been invited to serve on the WSHA Public Policy Committee as well as the American Hospital Association's Region 9 Policy Board. President Liahna Armstrong indicated approval of Julie's membership on these committees. Julie indicated that Dr. Lindsey, Dr. Hibbs and she are meeting quarterly with Dr. Haney and a new family medicine physician will be starting at Dr. Haney's clinic in 2017. She reported that relationships with the new Kittitas Valley Urgent Care are going well. She announced that Brent Proctor, Director of Physical Rehab Services, will also become the Director of Home, Health and Hospice. She reported that recently Rhonda Holden, Brenda Mineer and she visited Swedish Hospital regarding coordination of clinical operations in the Upper County. She said the meeting went very well with patient care being the main focus.

The Board members reviewed the Human Resources Dashboard.

8. **Chief of Staff Report:**

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved the initial appointments for Dr. Alfred Hand, Dr. Daniel Baker and Dr. Norman Wood, and the reappointments for Dr. Andrew Peet, Dr. Robert Ortiz, Dr. David Krueger, Dr. William Glenski, Dr. Thomas Mirich, Dr. Kevin Martin and Dr. Richard Vaughan as recommended by the Medical Executive Committee.

Amy Diaz announced that Kittitas Valley Healthcare will be hosting the Chamber of Commerce's Business After Hours on February 16, 2017, at the 420 Loft Gallery and asked that Board members attend if possible. She reported that around 27 new providers from KVH will be invited to the event as well as non-KVH providers.

9. **Financials:**

Libby Allgood presented a short financial summary for the month of November noting that revenue for the month was over budget by around \$320,365 due to a Medicare Cost settlement resulting in an operating gain for the month of \$166,669. Libby distributed information to the Board members regarding "What Business Are We In" and stated that this information will be presented on a regular basis. Libby reviewed the 2017 budget with the Board members noting that a revision was made to the budget to more clearly reflect patient volumes.

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved the 2017 budget as presented.

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

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved Resolution No. 16-18 regarding the amendment to the 2016 budget.

10. **Clinic Operations:**

Julie Petersen announced that Rhonda Holden, formerly the Chief of Nursing Operations, will be taking the new position of Chief of Ancillary Services with Vicky Machorro taking the position of Interim Chief of Nursing Operations. She also announced that Carrie Barr is the Interim Chief of Clinic Operations. Carrie Barr presented the clinic report and stated that her main priority will be patient access. She reported that a scribe will be appointed to a physician at Family Practice Medicine-Ellensburg in January and this process will be evaluated for possible expansion of the scribe program.

11. **Education:**

None.

12. **Public Policy:**

None.

13. **Old Business:**

a. **Board Meeting Evaluation Summary:**

The Board members reviewed the Board meeting evaluation form. Liahna Armstrong noted that from the comments on the evaluation form, it appears that the Board members would like further discussion of the master office building project plans.

b. **WSNA Contract:**

Julie Petersen reviewed the WSNA negotiation process noting that they were completed in a very timely and successful manner. President Armstrong commended Julie for all of her efforts in the successful completion of the negotiations with staff.

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved the WSNA Contract with the directive that Julie Petersen and President Liahna Armstrong will be the signatories on the contract.

c. **Update on Cerner EHR Project:**

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously approved the contract with Cerner for implementation of the EHR project.

d. **Board Consultants for Board Governance Education:**

The Board members authorized Julie Petersen to engage consultants Sarah Cave and Steve Huebner for board education, development and strategic planning.

e. **CEO Selection Process:**

Liahna Armstrong reminded the Board members about the special Board meeting on January 5, 2017, at 5:30 p.m. regarding the CEO selection process. She announced that consultants from

Passage & Associates, Seattle, Washington, will be assisting with the process and will be in attendance at the special Board meeting. She stated that the search process will be a regional search, rather than a national search, and the hiring of a permanent CEO should take place in early April.

f. 2017 Board Calendar:

Liahna Armstrong asked that this item be placed on the January Board agenda.

14. New Business:

a. Recognition for Years of Service for Sharon Davis:

Rhonda Holden commended Sharon Davis, Director of Imaging Services, for 35 years of service to KVH mainly in her position as a Director. She stated that Sharon was a veteran of the U.S. armed forces and started at KVH as a chief x-ray officer in 1982.

b. New IT Infrastructure Strategy:

Libby Allgood and IT staff presented an overview of the proposed IT infrastructure as well as proposed capital expenditure requests related to the project.

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved the capital expenditure request for the network wireless hardware infrastructure replacement for Information Systems.

ACTION: On motion of Bob Davis and second of Bob Crowe, the Board members unanimously approved the capital expenditure request for the virtualization environment hardware refresh for Information Systems.

ACTION: On motion of Bob Crowe and second of Bob Davis, the Board members unanimously approved the capital expenditure request for the amended Microsoft exchange server and office communication server upgrade for Information Systems.

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

The Board members reviewed the various clippings and correspondence items.

At 7:45 p.m., President Armstrong announced that there would be a 10 minute recess followed by a 45 minute executive session regarding personnel and real estate. RCW 42.30.110(b)(g)

At 8:36 p.m., the meeting was reconvened into open session.

ACTION: On motion of Bob Crowe and second of Erica Libenow, the Board members unanimously authorized Julie Petersen to submit a letter of interest to lease medical office space appropriate for occupational medicine.

With no further action and business, the meeting was adjourned at 8:39 p.m.

CONCLUSIONS:

1. Motion passed to approve the Board agenda.
2. Motion passed to approve the Consent Agenda.
3. Motion passed to approve the medical executive committee initial appointments and reappointments as recommended by the Medical Executive Committee.
4. Motion passed to approve the 2017 budget as presented.
5. Motion passed to approve Resolution No. 16-17 regarding check cancellations.
6. Motion passed to approve Resolution No. 16-18 regarding the amendment to the 2016 budget.
7. Motion passed to approve the WSNA Contract with the directive that Julie Petersen and President Liahna Armstrong will be the signatories on the contract.
8. Motion passed to approve the contract with Cerner for the EHR project.
9. Motion passed to approve the capital expenditure request for the network wireless hardware infrastructure replacement for Information Systems.
10. Motion passed to approve the capital expenditure request for the virtualization environment hardware refresh for Information Systems.
11. Motion passed to approve the capital expenditure request for the amended Microsoft exchange server and office communication server upgrade for Information Systems.
12. Motion passed to authorize Julie Petersen to submit a letter of interest to lease medical office space appropriate for occupational medicine.

Respectfully submitted,

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