

**Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**REMOTE BOARD MEETING**  
**September 7, 2021**  
**5:00 – 7:00 pm**

**Commissioners Present (via Zoom):**

Art Lange, President  
Diane Boteler  
Patricia Miller, Secretary  
Pegi Groundwater  
Richard Fralick

**Staff (via Zoom):**

Anne Presson, Superintendent

**Commissioners Absent:**

None.

**I. Call to Order**

President Lange called the 16<sup>th</sup> meeting of 2021 to order at 5:01 p.m. He noted that there was a quorum, with four Commissioners present. Commissioner Boteler was working at the hospital and would join when available. He welcomed members of the community to the meeting.

There were no modifications requested for the Agenda.

**II. Public Comment:** There were no requests for public comment at this time.

**III. Consent Agenda**

The items contained in the Consent Agenda included: the Regular Board Minutes for July 6, August 3, and August 17, 2021; and the AP Voucher Reports for June 13 (\$2,345.85), August 15 (\$5,750.12), and August 29 (\$74,686.39). Commissioner Groundwater asked why office utilities on the June 13 voucher were so high, more than \$100 although budgeted at \$65; Superintendent Presson expressed it was the billed amount for April. She will check with OPALCO to determine if there was anything unusual with the usage.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to adopt the Consent Agenda as presented. VOTE 4:0:0. MOTION CARRIED.**

**IV. Committee and Work Group Reports**

**a. Building Group**

Commissioner Fralick reported that the project to paint the building and replace two windows and automate two doors is nearly complete. The project was approved at about \$81,300. The first invoice for the contracted work was \$72,301.08 and a change order for \$5,295 was approved. The change order covered the following items:

1. Re-build trash enclosure
2. Interior electronic latch because it's required on fire doors
3. Stainless steel plates (2) on emergency room door
4. Install new ADA bollard @ front door
5. Install new skin on mechanical room door

Presson has not been able to speak to the electrician yet on the final date for the project and on vaccination of workers. Fralick will contact him.

## V. Operations Report

- a. **OIHCD FY '22 Budget & FY '21 YTD Financial overview:** Presson went through the assumptions on which the draft budget is based. The Property Tax Revenue assumption has been conservative over the past two years, discounting the expected levy amount by 4% to allow for unpaid taxes, special programs, etc. For 2022, the budget is basing the 1% increase in Revenue on the 2021 forecast rather than the 2021 budget number. Presson is still waiting for the Assessor's preliminary calculation for 2022 which she was told would be about another month.

Reserves are still below target, which is 30% of the prior year's general fund income, so in 2022 the budget continues to allocate \$100,000 to the Reserve Fund. The potential change in Medicare reimbursement rates for PB-RHCs is an appropriate use for these funds. Presson and Island Hospital (IH) have set up a call on Sept. 15 with a delegation from the U.S. Senate Finance and Health Committees; staff members for Senators Murray and Cantwell and Representative Larsen have also been invited. A briefing document is in development, and Presson and Charles Hall, IH CEO, will speak to Committee members about the impact should the IPC-O Clinic not be grandfathered under the former reimbursement model for Provider-Based Rural Health Clinics. The outcome from this initial discussion won't be known right away, and Presson recommends we put at least \$500,000 extra into reserves in case efforts are not successful or extend over a long period of time.

Presson put a placeholder of \$15,000 into the budget to allow for beginning a strategic planning effort in 2022. She assumed that compensation waivers for all commissioners will stay in place; however, she will be checking with Commissioners to see if that is the case next year. She estimated \$75,000 for potential legal expenses and \$7,500 for accounting expenses. Changes in the staffing model may affect personnel costs, yet those remain TBD. She suggested the Board might want to establish a target for ending cash in the General Fund, since that money is needed for operations costs to carry through over the five months in between the October and April property tax receipts.

- b. **Update on equipment needs and clinic remodel:** Presson included \$100,000 in the draft budget for potential capital projects, ranging from buying a new generator to preparing for a potential large-scale expansion on either or both parcels owned by the OIHCD. This is likely going to need to be significantly increased after getting more details from IH on the clinic remodel needs. By the next meeting she hopes to have a detailed, prioritized set of needs for equipment and for the remodel from Johnson and Codd; these are needed for budgeting. Commissioners are also invited to submit comments on budget.
- c. **IPO-O April-June 2021 financial overview:** IH submitted a clinic financial review for April through June. Groundwater noted it lacked many details requested in the contract, Exhibit G. Lange noted that the Clinic's collections percentage, budgeted at 77%, was 42%. Presson attributed that to the lag time for a new clinic to receive payments; Groundwater noted the clinic's billing cycle might also have an effect. Presson had also asked the CFO to add several elements and plans to discuss an updated report format at the next Finance Committee meeting.
- d. **Other IPC-O Updates:** the Clinic will begin offering courtesy x rays in Q'4. Presson was very pleased to learn that they will have four slots available every weekday for these patients. The

patients will need an appointment and a provider order in order to access this service. Feedback on x rays has been good.

Press-Ganey does not start collecting satisfaction data until a provider has 8-9 months in a practice, so comment cards may be reinstated in the waiting room. Finally, Codd is finalizing a job description for a Licensed Clinical Social Worker position at the clinic; she will be discussing it with Elise Cutter on Sept. 16 and hopes to move forward shortly thereafter.

- e. **Accountability Audit:** Presson reported she is in the midst of the 2019-2020 State accountability audit, which will take most of September.

**VI. Old Business**

- a. **Staff Work Group:** There was a continued discussion around roles and responsibilities, noting that aggregate feedback from the Board suggested there was agreement on the approach going forward. Moving to a more traditional model will take place once the District staffing model is determined and put into place.

**VII. Public Comment:** There were no requests for public comment at this time.

**VIII. Executive Session:** The Board moved into Executive Session at 5:48 and set a return of 45 minutes. They reserved the right to act upon returning. Lange returned to Open Session at 6:35 and indicated the Board would remain in Executive Session for an additional 20 minutes. Lange returned to Open Session at 6:55 and indicated the Board would remain in Executive Session for another additional 20 minutes.

The Board returned to Open Session at 7:15 pm. No action was taken following the Executive Session.

**IX. New Business**

- a. **Superintendent Annual Bonus – Timing and Process:** Presson asked the commissioners to consider developing a tool for this process, perhaps similar to that for the performance review. Lange asked the staffing committee, Boteler, and Groundwater, to prepare a recommendation and bring back. This process will take place at year’s end.

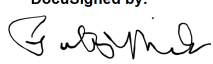
**X. Upcoming Meetings**

President Lange reported that the next Regular meeting of the OIHCD Board is scheduled for Sept. 21. Other meetings were listed on the Agenda. Miller indicated she would not be available for the first meeting in December.

**XI. Meeting adjournment**

**MOVED by Commissioner Fralick, seconded by Commissioner Boteler to adjourn the meeting at 7:25 p.m. VOTE 5:0:0. MOTION CARRIED.**

**Minutes approved this 21<sup>st</sup> day of September, 2021.**

DocuSigned by:  
  
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**Attest: Patricia Miller, OIHCD Board Secretary**

11/6/2021  
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**Date signed**