



Sublette County Hospital District Board Meeting Minutes Sept 28th at 5:30pm Pinedale, County Commissioners' Room

Board Members in Attendance

Tonia Hoffman – Board Chair
Jamison Ziegler – Vice Chair
Kenda Tanner – Secretary / Treasurer
Wendy Boman – Trustee
Dave Bell – Trustee

5:30pm: Future Governance Responsibilities – Part 2: The Board Responsibility for Physician and Provider Credentialing

Last month we talked about Quality, and this month will be the next part of your obligations as a Board member. This is important to know, because it is a lot of responsibility to your community. You have CMS standards that are important so that we can collect Medicare and Medicaid reimbursements. There will be surveys done by the Wyoming Department of Health and when they find a deficiency, you have to make sure it is corrected so we meet the standards. With these governance challenges, there's a lot to stay on top of. In today's world, the financial viability piece is critical. There are hospitals nationwide that are struggling, so this is an area that will take leadership of the board. We need to make sure we have enough cash on hand. To carry out the fiduciary responsibility, first the board employees and retains a CEO. That's your only employee, the CEO. The leadership team, and the rest of the staff come under that accountability portion. Second, the CAH has a board that assumes full legal responsibility for implementing and monitoring policies that provide quality healthcare in a safe environment. We have to have policies that provide for operation of the hospital. And you notice it does not say "to have cash in the bank." It says "to provide quality healthcare in a safe environment." You want to make sure your competencies are in place and that you staff is competent to do their job. Hospital oversight and Wyoming rules state the hospital shall have a Governing body accountable for the quality of care provided and that the review the policies and procedures for services offered annually. The Board is responsible to know about quality, safety and medical necessity of care provided. We've started a Quality Committee and started a Medical Executive Committee. We're working on the makings of a medical staff, which will be required when we have a hospital. Those are required to have in place. Today we discussed how ER Providers can pass the follow up with patients between shifts. These are the sorts of things discussed on a daily basis. The board assigns responsibility for monitoring and improving quality care and this is achieved through patient safety programs, and credentialing of providers.

A CMS regulation is to regulate the medical staff and assure the bylaws. Our organization internally, we are not as familiar with those bylaws as we need to become. Dr. Burnett is well aware of this, and he and Dave have this as a goal to spread those bylaws out to everyone and make sure we are aware of them. We don't want to have a set of bylaws that we cannot live by, so we need to be sure they are realistic. Dave Bell asked when we are going to see the bylaws. Mike answered that they were developed by Tom Lubneau, but they haven't been very visible yet. They are with the Med Exec Committee and in the process of coming to the board. The next one is to assure the medical staff is accountable to the governing body for the medical care provided. This is a three legged stool – Medical Staff, Governing Body, Leadership Team. The medical staff is responsible for the quality of care. The Med Exec committee takes care of issues. Another of the legs, is that if Dave Doorn has a personnel issue, it's his job to take care of that issue, working with the Med Exec committee. The next one is to review the medical care

provided to patients. You may hear about patient complaints that are significant enough to elevate to the board. We might have to involve our insurance company or the Med Exec committee. Lastly, insure the appropriate credentialing and privileging of hospital staff members. In the future we will have a part time person who is doing nothing but credentialing the providers that want to work in our facility. We'll eventually move into a more formal credentialing process. For example if someone wants to perform surgery in our facility, we'll credential them. Right now, Dr. Wallace is going through a credentialing process to assure that our ER providers are qualified to perform the things they say they can do in our ER. Mike is really happy to say that is working out really well, and it's a way of preparing ourselves to move into hospital. Mike spoke about the specifics of the credentialing process, and how it is the single most quality improvement and injury prevention in a hospital. If someone applies to provide services in our hospital (either our staff, or a visiting provider) they'll have to go through the process. We'll check the national provider databank for any history and get letters of recommendation. The Med Exec committee will review it, then the final authority lies with this board to give the privilege to that Physician to work in our facility. The board has final authority. Star Valley Health has about 400 providers credentialed in their facility. It's a full-time job for one person to stay on top of that. We have a room full of credential files, and some of the doctors that have been there decades have a file this thick. Mike stressed how important it is to take this seriously and not just rubber stamp the credentialing.

Board / Medical Staff relationship – The medical staff is a governing body of their own. Dave, Mike and Dr. Burnett will work hard for our medical staff. A self-governing body of medical staff makes it so much better for the organization because they take care of business within the medical care. If they aren't doing that, it creates a lot of disfunction. So we are working on them becoming a self-governing medical staff. Ultimately, they report to this board, but they kinda operate separately, with their own by laws and their own governance. That is an important aspect of the success of the organization.

Meeting Call to Order 5:59 p.m.

Pledge of Allegiance

Set Agenda - Added Policy Development under new business. Kenda motioned and Jamison seconded to set the agenda. Motion passed unanimously.

Department Reports: *Administrator's Report: Dave Doorn/Mike Hunsaker*

(Nursing, Lab, Radiology, EMS, Business office, PR, Grants and Medical Directors' reports)

Dave Doorn did department reports. EMS reports that the road construction between LaBarge and Big Piney is almost done. We blew a radiator in a rig, and Rocky Mountain YETI was very helpful in finding us a new one. He also hired an A EMT and another part time EMT starting in Nov. Sharon reports that all the documents needed were submitted and we passed our COLA. Also lab test numbers are up and it isn't COVID tests. Testing went up during COVID, as folks figured out they could get their labs locally, and now they are still getting it done local. That's great to retain those patients. Nursing reports that we had our first Tele-Psych mock call on the behavioral health partnership with EIRMC. Mountain West gave us a service on a potential nurse call system. That's one of many meetings that will be held about future equipment needed for the hospital. Dr. Wallace and Molly Landers held a trauma review and discussed three cases.

We had another great month with ultrasounds. Thanks to Mike and Dr. Gonzalez for figuring out how SVH could read our echocardiograms. And we had the second all time high number of CT scans in August.

Public Relations continuing 6 prong approach of newspaper, Pinedale Online, FB, KPIN, email newsletter and website. Organized a meeting with the neighbors that live near the Pinedale Clinic, which went well. And worked really hard on the groundbreaking, which had 700 people attend. Promoting Juli Forrester in Marbleton and Dr. Hastey offering services in Marbleton on Wednesdays. Tonia asked if Juli Forrester was consistent, and Dave said we are still just going week by week with her schedule.

Grants: ARPA \$10 million grant submitted. Organized having our team go to Cheyenne to meet with SLIB board members individually. The date we need to be in Cheyenne for the meeting is Nov 3rd. Did not apply for Healthcare Innovation because we didn't have anything that would qualify (it's more for research projects). We did apply for \$500,000 for the Marbleton Clinic for an ER remodel. They haven't released a meeting day to discuss that grant funding. Other ARPA grant cycles aren't open yet. Finally, got an EMS grant to offer free community EKG's. Worked with Dr. Wallace to receive this grant. FEMA will end on Dec 31, so we have a few more grant opportunities.

Kelli did a ton of work connecting the name Sublette County Health to our EIN number. We had our best bad debt ratio in the past three months, averaged 2.17 for all services rendered. In August we collected \$624,000 more than we did same time last year. We are still projecting nearly \$4 million in collections by the end of the calendar year. Our revenues have been awesome. Our gross revenue for August was \$800,000. Our ancillary charges are up. We're having a great year.

Dr. Burnett attended meetings and finalized reporting forms for opioid controls and diabetes controls. Handled some Med Exec committee meetings. He also handled Juli Forrester's orientation.

Dave reports that he and Dawn went to the Annual WHA meeting, then went to Cheyenne for the SLIB board meeting. He's heading to Salt Lake on Oct 12-13, so he can meet our EPIC outreach person. We will need new modules, and it's worth the trip. The Rural Health Clinic potential designation data is with DZA and we are waiting for them to crunch the numbers.

For COVID, it's dropped enough that we are returning to normal operating procedures. We will split the lobby into sick and healthy areas, and we won't be using decon anymore. Another meeting coming up at the end of October is the consortium meeting - it's Jackson, Star Valley, Driggs, us and a few more. We need a board member to attend. Tonia says they are working on selecting who goes.

Dr. Demetriou gave his 90 days resignation. We are working hard on recruiting his replacement. We are talking with Dr. Casagrande. We're talking to WHRN and the recruiter that Star Valley uses. We have a visit from an interested Doctor at the end of October. We're looking everywhere to replace him.

Tonia asked if Dr. Wallace had a report, and he did not this month. Tonia asked how many echoes we've done and Dave reported 5 or 6. We had the potential for 10 to start, but didn't get things going quickly enough. He expects it to pick up.

Committee Reports:

Finance Committee-Kenda Tanner/Dave Bell - Both clinics saw an increase in new patient and scheduled clinic visits. Both clinics charge revenues are up. You can look at the graph and see we are quite a bit up from last year. One thing to change, is as you look at the Income Statement, under charge revenue numbers, there are adjustments and not just the charge revenue adjustments, but others as well. Those make it hard to track, because the numbers that go into the revenue income statements are exactly the right numbers. Michelle states that the charges are posted in August charges, but they are for services done in another month. So they aren't showing necessarily charges for August services. Michelle is going to consult with Star Valley and see how they handle this, so we can get this more accurate.

We are behind about \$600,000 in what we expected in year to date tax revenue. We are still expecting \$1.5 million in Nov. That is why our cash flow statement shows that we are \$250,000 negative for the month. The finance committee is going to ask that we transfer \$500,000 from the WYO Star Reserve Account.

Tonia asked if this is what our future holds in terms of receiving tax revenue or will it be more consistent. The Commissioners will meet next week and decide if they continue to allow exemptions. Right now there are two companies that have exemptions and that leads to large payments in May and Nov. If the Commissioners agree to allow that to continue, then it will still be a mystery. If they stop that and have all the companies on the same schedule, it will become more consistent and be easier to track starting Jan 1. It will be interesting to see what the Commissioner do.

Kenda motioned that we transfer \$500,000 from the WYO Star Reserve account into our checking account at First Bank. Dave seconded. Tonia said that we hate that we have to do this. Motion passed unanimously. She thanked the Committee for their extensive report.

Building Committee- Jamison Ziegler/Tonia Hoffman - Tonia passed it to the Owner's Representative

Owner's Rep Update - Karl Lueschow (Owner's Rep)

Jeremy Hobbs from Layton Construction unable to attend because he's out of the country

The budget was put together quite a while ago, and Layton rebid the project in August to get actual numbers. The project went from \$54 million to \$69 million - a \$15 million gap. Karl reports that if we put the \$10 million in ARPA funding into the budget, we still have about a \$5 million gap. We did some value engineering and did it in a way that didn't really

change the project. The USDA architect, Justin, still says this is acceptable to him. It was things such as changing the exterior stone, or changing the flooring manufacturer, etc. The canopy of the CAH is now smaller. It still overhands and shelters patients, it just doesn't go as far. One thing we are trying to keep untouchable is the shell space anticipated for the future surgery suite. It's worth \$1.3 million to forego that, but we felt that it was important to keep that off the table if at all possible. This is in anticipation that the OR will be a revenue generator in the future. Another thing we did was to reduce the amount of outdoor space in the hopes that we can fundraise monies to make that more elaborate in the future.

Dave Bell asked if these value engineering changes have saved the \$5 million needed. Karl said that it's about \$4.5 million, and there will be room to deal with the other \$500,000 in the future.

Tonia asked if we are seeing costs for materials come down, for example lumber. Karl answered that this particular building doesn't have a lot of lumber, but he is seeing other material costs stabilizing. A lot of other projects are coming to a screeching halt, which is driving down costs. He lists materials on the sheet, and it feels like that is more of an opportunity than a risk right now. For example, with the steel we saw we had great participation from steel fabricators. Since steel is on the front end of a project, what that is telling us is that steel fabricators have burned through their backlog of projects and are now hungry for work. That's going to ripple and continue forward with all the trades.

The fact that we are trying to do a little demolition in the Fall and start the build in the Spring, will actually work in our favor. Karl wants to reiterate over and over that the budget that is on this sheet is a living document. It's a snapshot in time, but a document that we are all comfortable with is accurate enough. It will continue to adjust, but this is a budget we are all satisfied with to move this project forward. For example, he listed mechanical trade as a risk because it's hard to find a large qualified contractor to come into this part of the country. We will continue to work on that number and see if we can get more participation, which might bring down the cost. We had \$7 million in the budget for mechanical, which 2 years ago was an insane number, but the bid came in at \$10 million. If we are able to get better participation, that number can come down.

You'll notice in the budget we have grants and fundraising. There are things we've taken out of the outdoor space that we could restore with fundraising. We still have an extensive landscaping budget. It will be beautiful when it's done, but if we can get more than we will add more. In addition, we'll also be moving forward with trying to get a grant for some of the equipment such as mammography, xray, and CT machine.

The PAR budget submitted with the application is \$54 million. Right now we are at \$66 million. On the sources you can see where the \$20 million is coming in from the County, and the \$10 million from the ARPA grant and \$1.8 million in equipment grants. You can also see the USDA distribution.

We are overbudget by about \$500,000 and that is 0.8 percent. That's pretty insignificant in a project of this size. We are carrying \$1.5 million in the General Contractors' contract for contingencies. If a bid comes in high, he can use that money to cover that. We also have \$2.5 million in Owner Contingency (or 8% of the project) in our Contingency. We can use that money at our discretion. So overall we have \$4 million in contingency. When we get to the end and see where it will land, and we hypothetically have \$2 million left in contingency. We can either say great, we're under budget OR say we would like to spend \$600,000 and add more courtyards. Dave Bell asked if we go into a recession and the contractor ends up ahead, say by \$3 million. What happens to those funds? Karl answered that they come back to us, and he commended Lena from our legal counsel for negotiating a 100% give back.

That is also an opportunity to get them to start releasing. If we know months in advance that they are a certain amount under budget, that is an opportunity to start releasing that money to any particular part of the project if you wanted.

Those are pretty high level the way we've determined those numbers. He will be working this week to have a better understanding of those numbers. It's in the bids which are in the CAH and which are in the LTC. This will be completed in preparation for the County Commissioner meeting which is next Tuesday. It's important to note that the County has \$20 million in this and are getting \$30 million in product. Dave Bell and Tonia noted they had never seen that breakdown before.

Dave Doorn wanted to acknowledge that a huge group of people worked on this VE process, including Karl, the architects, the Sublette Center, the Hospital team and made sure that the changes stay in compliance with regulations and still find real opportunities. Tonia noted that we've been worried about inflationary pressures, and it's good to see an answer to that. Karl reports 30% inflation is common right now. He doesn't see that being sustained, as the economy can't take it.

Dave Bell asked how important it is to have board members at these OAC meetings. Jamison said he attended the one before the groundbreaking where we got into the nitty gritty. Dave Bell asked if he could be added to the Zoom invite, and would drop off if three board members showed up. Tonia said sure. Dave Doorn added we've been having construction loan document meetings on Wednesdays, and everything is looking good to hold to that Nov 3rd SLIB board meeting. We have state approval to begin construction and our demo permits under control.

Merger Committee-Merger Status Update -Tonia Hoffman/Kenda Tanner – Tonia thanked Patty Racich, Dawn Walker and Shelli Davis for attending. And Ruth Steele on Zoom. We understand our lawyers have an agreement in hand. Today the SCHD attorneys and Sublette Center attorney had a great meeting. They are renegotiating a few pieces that are important to this board, and felt like they should be completed before giving a draft of the merger agreement. Once we have a copy of the merger agreement, then we will call a meeting of the Joint Planning Committee and sit down and work together on it. Patty Racich had nothing to add.

Quality Committee-Wendy Boman – These are from memory, as the dog knocked water on her computer. Mike outlined the need for more sub committees, in order to continue to improve patient care. Also discussed the Rural Health Clinic designation. We have a need to advertise Dr. Hastey in Marbleton, as he has only been seeing one patient per Wednesday in Marbleton, so we are working on that. We are exploring getting more visiting providers and Dr. Mullens (Cardiology) is no longer coming and Dr. Parrack (GI) is moving. We are measuring door to CT scan, which is a potential stroke, and Vicky and her team are going to work on making that tighter (10 minutes or less). Mike added that we discussed that the board gets a report quarterly on our progress on the Strategic Plan goals. We are working on assigning some sub-committees to work on that. We owe the board a report in October.

Urgent Care is going well. Seeing a lot of business from 5pm – 7pm and not as much from 7am – 8am. Tonia asked what we can do to promote Dr. Hastey in Big Piney, and Kari answered that we are going to have Betty Fear do a testimonial and schedule a lunch roundtable at the Southwest Pioneers Senior Center. Dave Doorn reported that the patient satisfaction surveys from Press Ganey are up and running. We will have a report next board meeting.

New Business

- **USDA – Greater Lending / Financing** – Dave Doorn says that their lawyer and our Bond Counsel Rick Thompson. They will have loan documents done this Friday, and then it has to move through their teams so we should see it the following Friday. Abbi reports that it's a great team and they are working hard. Macey Spears from Stroudwater does a great job keeping everyone on track.
 - **Marbleton Services – Rural Emergency Hospital meeting update** – Dave and Mike learned that the REH designation won't work for Marbleton, because we have to be a hospital before we can get that designation. However, we may be able to be a freestanding ER, and that might be even better. This freestanding ER designation won't hamper the Rural Health Clinic designation, so we are able to maximize reimbursements on both sides. They were given some cases of CAH that have done this effectively and which prove that this can be done and it looks favorable. As we move forward with the building of the hospital, we can make a freestanding ER in Marbleton which will make it much more cost effective to have the better coverage of care. Tonia said this is great news for Marbleton / Big Piney.
 - **Public Health update** – The remodel is going well. The move date is Oct 17th for Public Health. Mike wants to recognize the fact that the Sublette Center has been so generous in letting us use that building. Mike feels they are going to be able to function better in this building. Dave acknowledged that it was an inconvenience moving their maintenance.
 - **Board Members Conflict of Interest Policy** – It came to our attention that we didn't have anything in place, so we wanted to get signed ones on file. Dave Bell motioned that we approve the conflict of interest as presented and initiated after the election and then renewed each year. Jamison seconded. Motion carried unanimously.
 - **SLIB Board** – Senate President Dan Dockstader, Representative Albert Sommers, Commissioners Tom Noble, Sam White, Tonia Hoffman, Dave, Dawn and Mike all went to Cheyenne to meet with the SLIB board members one on one. There is one more trip to make- for the grant hearing. Joel would like to go November 3rd and the rest of the group would like to go as well. Mike reported he will be there for Star Valley's application. Mike reports that one of the most important things they heard was that within the SLIB board group, they are going to do this funding based on merit so they feel they will fund 100% of projects, all or nothing. Rather than partially funding a project which might make it impossible to complete.
- Policy Development – Mike presented that Chartis is a healthcare consulting company which narrowly focuses on hospital policies. Both in a board perspective and in terms on compliance. They do a lot with HIPPA and other

policies. For example, Riverton is starting completely green. They've never had a board or ran a clinic or anything. Chartis could come in and help them get started from the ground up. They could do everything. Mike has made it clear what we would need, to make it as affordable as possible. We need to focus as an organization on: a corporate compliance program (HIPPA, patient privacy, etc), Patient Rights (visitation rights, Long Term Care visitation rights, etc), Internal Policies (radiology, laboratory, HR, quality program policies, etc). Star Valley Health has engaged Chartis about a year ago and they helped a lot. Mike suggested using Star Valley's policies as a starting point and build the SCHD policies. Chartis has an hourly rate and if we have staff that can help them, we get more out of their time. Star Valley would be happy to have some of their staff help pulling their policies and sharing it with us. If the SVH policy makes sense for us, then we don't have to reinvent the wheel. We can tell them exactly what we want, and spend the time on what we need. They are also willing to help us go through the hospital start up process if we want. They can also do Physician engagement, they have competent Nurses and Doctors offering training, they have many things to offer. But they are expensive. So Mike tried to narrow it down tightly, and they feel in the first 90 days we could get through Corporate Compliance, Hospital Internal Policies, and Patient Rights. They will bring a chief medical officer point of view as opposed to an attorney point of view. Their minimum engagement is \$125,000. They can get through what we want for that cost. Then if we like it and decide we want more then we can add on to it. We think we need to get started, and this is a good place to get solid footing. If the board were to approve, we could get started in mid-October. Tonia's concern is will the policies we make now will they last the 18-24 months before we open a hospital. Mike said many policies, HIPPA, patient care, etc. will carry over. Lena weighed in when you are defending cases you always, 100% of the time, fall back on policies and procedures. It will pay off in the long run to make sure that these policies and procedures are done correctly and done ahead of time. Dave Bell asked if we know enough to get started. Dave Bell asked if this would be a burden on the staff on top of their already large workload. Kari answered that the entire staff is aware we need policies, and the heavy lift it will take to get them is weighing on employees' minds. Knowing that an excellent solution that will deliver a quality product has been found would be a relief to employees. Dave further asked if Chartis can come and spend a day in Pinedale. Mike said that they would be happy to participate over Zoom. Mike said that their rep was willing to be on Zoom tonight, but she was in an airplane and couldn't participate. Mike said they are in high demand and careful with their time, but he is willing to ask if they would come. And it might be better spending that 12 hours of time doing policy work rather than coming for a sales call. But Mike is more than happy to ask if they would come. Dave Doorn said that our best policy person is Sharon and she's in the room. Sharon spoke that we are looking at merging two organizations and we will need solid HR policies in place. Also, as we get closer to opening the hospital there will be a ton of work such as learning new EPIC modules. Or, if aren't able to keep EPIC, then learning a new EMR system. The workload is only going to grow, so tackling these now before it gets incredibly busy would be smart. Tonia asked what if we find that our policies are so closely aligned with Star Valley that we don't need the full \$125,000, would we lose the amount. Mike said that isn't really a risk, as we have so much to do. Mike noted that they can provide us with what it right from the first moment. Rather then, oh goodness we need a policy about that.

Mike also said that sticker shock is common in healthcare, but we need to turn our focus to managing our accounts, receivables, etc. We need to focus on if we aren't charging the right codes. That's where we lean in and chase collecting better. Developing good policies is an investment in our organization and also in our staff. They can have the comfort of knowing that they are following policies and we've given them something they can live by and work by. Our patients will have that same comfort knowing that we had solid policies. Tonia asked if Chartis is the gold standard and if they are the Cadillac is there a Buick that we can look at. Mike said he was happy to explore other options and come back at the next board meeting.

Dawn mentioned how much time they spend on policies. Her and Shelli do them and track their hours. They have 127 hours into it and there are 57 policies changing October 24th. She said that as we move towards hospital and get surveyed, you will get fined for mistakes in your policies. If you don't spend the money up front to have strong policies, then you spend the money later in fines. Kenda asked how we chose Chartis and Mike said based on previous relationships. Mike said that having most of the construction starting in the Spring, we have a lull time to focus on this now and get our feet under us, before we get super busy with construction.

Dave Bell motioned we proceed and Jamison seconded. Mike mentioned that you could amend the motion to say that \$125,000 or less be spent on policy development, and the staff inform the board of who they would recommend based on comparing prices. Dave amended the motion to say that. After further thought, Dave Bell decided that his motion relates to Chartis and with Sharon saying she would captain the team, Dave Bell feels confident on choosing Chartis. Jamison seconded Mike added that we will ask Chartis to define the scope of work. This won't be the last time we come to you for funding for policy development. Kenda. Dave motioned, Jamison seconded. Motion carries.

Old Business

- Transfer Agreement – signed (insert confetti!) The Commissioners generously signed the agreement which gave us the properties and released the \$20 million, which is fantastic and allows us to get started. Dave Doorn added that Dan Liske is jumping on the roof repair mentioned in the agreement to fix the design flaw in both roofs. There will be some dust as we work on it, but we'll make do. Tonia noted wryly that it will be the first of much dust in the coming years.
- Merger Agreement – discussed above.
- Approval of meeting minutes July 27 and August 24, 2022 (including the ES minutes), Jamison motioned and Wendy seconded. Motion passed unanimously.
- Approval of Payroll and Bills – Kenda moved to approve payroll and bills in the amount of \$1.223,808.59. Jamison seconded.

Public Comment - none

Executive Session: *Personnel and Legal* Dave motioned and Kenda seconded to go into Executive Session at 7:47pm.

Adjournment – 8:47 pm – Jamison motioned and Kenda seconded to adjourn. Motion carried.

Minutes taken by Kari DeWitt

Tonia Hoffman, Board Chair
_____ Date

Dave Doorn, Administrator
_____ Date