

# SNOQUALMIE VALLEY HOSPITAL DISTRICT

## PUBLIC HOSPITAL DISTRICT NO. 4, KING COUNTY

Board of Commissioners

September 4, 2014

Regular Meeting Minutes

6:30 p.m.

Snoqualmie City Hall

Snoqualmie, WA

### IN ATTENDANCE:

Joan Young, President

David Speikers, Secretary

Dariel Norris, Vice President

Ryan Roberts, Commissioner

Gene Pollard, Commissioner

### ALSO PRESENT:

Rodger McCollum, CAO/Superintendent

Jay Rodne, General Counsel

Valerie Huffman, Recorder

**CALL TO ORDER:** The regular monthly meeting of Public Hospital District No. 4 was called to order at 6:30 pm. by Pres. Joan Young.

### APPROVAL OF AGENDA

**A motion was made and seconded to approve the agenda as written. M/Speikers, S/Roberts**

Brief discussion regarding comments on Executive Session and the citation used; no changes were made.

The motion carried by a vote of 4:1.

### APPROVAL OF MINUTES

It was requested that it be noted for the record that at the August 7, 2014 meeting when Comm. Roberts was asked whether or not he had any conflict of interest in being a part of the negotiating team regarding the potential Overlake Affiliation, he stated there was none.

**A motion was made and seconded to approve the minutes of the August 7, 2014 regular meeting with the noted amendment. M/Speikers, S/Roberts**

There was no further discussion and the motion to approve the minutes carried with a vote of 4:1.

**COMMUNICATIONS:**

Joan Young, President

- Pres. Young extended a welcome to all in attendance. She also stated she appreciated the Chamber After Hours event wherein tours of the new hospital were provided.

Rodger McCollum, Superintendent

- Supt. McCollum pointed out that the Administrator's Report is now being provided on a quarterly basis. Of note, over the last quarter over 5,000 patients were seen in the clinics and hospital and for the last three months the hospital census has been at capacity.
- FAQ regarding the potential affiliation was provided in commissioner packets, as well as the public. This document is also posted on the website and periodically updated.

**COMMITTEE REPORTS**

**1. Finance Committee Report - Approval of warrants, payroll and payroll taxes – July 2014.** Comm. David Speikers, Chairman of the Finance Committee, reported on the July 2014 finances. An extensive report on the August 5, 2014 committee meeting was provided with specific mention of the following:

- Positive \$40,000 bottom line;
- The new EMR system was erroneously mapped to an old chargemaster so we were under billing resulting in an approximate \$100,000 deficit. This is being fixed and will be rebilled.
- USDA Loan Pre-Application;
- East Campus expenditures.

Copies of all financial reports, as well as minutes from the Finance Committee meeting, are filed with the official record for the District and copies are available upon request.

Supt. McCollum praised Steve Daniel, CFO and Kim Witkop, M.D. and their staff for the diligent work done with the EMR conversion and identifying and correcting the problems.

**2. Medical Committee Report.** Comm. Dariel Norris reported on the meeting held on August 19, 2014. The written medical committee report is filed with the official record of the District and copies are available upon request.

**3. Facilities Committee Report.** Comm. Pollard reported on the committee meeting held on August 18, 2014. Topics discussed at that meeting were the new hospital tours conducted at the Chamber After Hours event, existing hospital, new

hospital progress and East Campus facilities. All written reports are part of the official record of the District and copies are available upon request.

**PUBLIC COMMENT:**

**Heather Munden, Snoqualmie Council.** Heather introduced herself, and as designated liaison between the Council and hospital district, invited the commissioners to contact her at any time with questions and/or assistance. She will attend future meetings as her schedule permits.

Jay Rodne suggested the board think about designating a commissioner as a counterpart.

**Philip Cassady, Valley citizen and property owner, offered the following comments:**

- Encouraged by the amount of public attention being given to the potential sale of the hospital. The increased public attention will hopefully result in increased transparency of district operations.
- Believes the sale of the hospital and potential dissolution of the district represents an outstanding opportunity for both taxpayers and hospital patrons in our community.
- Is concerned about the apparent secrecy and lack of public knowledge concerning the Letter of Intent between Overlake Hospital Medical Center and our hospital district.
- In order to obtain the best deal, the sale of the hospital should be open for bids from competing private hospitals. This open bidding process would assure not only the best financial arrangement but also the best level of medical care for our community.
- Can understand why the specific details of negotiations between the district and a competing purchaser need to remain confidential but cannot understand why the possibility of a sale must remain secret as specified in the Letter of Intent, Section G, or why Overlake should be given exclusive provisions in negotiating for the hospital as specified in Section E of the Letter of Intent, thus eliminating any competitive bidding process.
- These issues need to be discussed and decided before the district makes any further commitment to Overlake.
- Appreciates the Board's offer to answer questions raised.

There was brief discussion addressing some of Mr. Cassady's comments.

**Charles Peterson, Snoqualmie – offered the following comments:**

- Was wondering how much the district paid Dr. Duvall, Optometrist to cut short his lease to accommodate the Women's Clinic move;
- Appreciated the information on the East Campus expenditures. Made further inquiry regarding if the amount spent to date included just wages or wages and benefits;
- Was wondering when the public forums will be scheduled as had been previously announced;

- Mr. Peterson stated he didn't think the hospital district could be dissolved until the debt was paid.

There was discussion addressing some of Mr. Peterson's comments focusing mostly on the public forums.

#### **NEW BUSINESS – Action Items**

**1. Resolution 461-0814 to USDA Rural Development Community Facilities Direct Loan Pre-Application.** Jay Rodne explained that this resolution will authorize the execution of a USDA loan pre-application. There is no cost to this pre-application. This will begin the process of determining if the District qualifies for low interest financing, at 4% interest, for equipment purchases for the new hospital. The developer is responsible for building the hospital; the district retains the obligation to equip the hospital. Therefore, this USDA pre-application is necessary in the alternative that the Overlake Affiliation does not move forward. In summary, Mr. Rodne reiterated that this is just to authorize the beginning of the application process, there is no charge to the district, and the resolution authorizes both Superintendent and CFO to execute the pre-application, as well as the president and secretary of the commission to sign in attestation. The amount of the loan would be three million dollars.

It was clarified that there are over 8,000 pieces of equipment in the existing hospital. Over 3,000 pieces will be moved to the new hospital. Some of the purchased pieces will be items we do not currently have but will need in the new hospital. Otherwise, anything that can be used from the existing hospital will be moved to the new facility. It was emphasized that if funding is not in place to obtain the equipment needed, it will hold up the opening of the new hospital.

#### **A motion was made and seconded to approve Resolution 461-0814 for a USDA Rural Development Direct Loan Pre-Application. M/Roberts, S/Speikers**

After extensive discussion, there was a call for the question. M/Norris, S/Speikers Motion carried 4:1.

This was followed by a vote on the original motion, which passed by 4:1.

**2. Approval of warrants, payroll and payroll taxes – July 2014.** Based on discussion and information provided earlier from the Finance Committee meeting, the following motion was made and seconded.

#### **A motion was made and seconded to post approve the warrants, payroll and payroll taxes in the amount of \$1,583,853.26 for July 1 thru July 31, 2014. M/Speikers, S/Norris**

There was no further discussion and the motion passed by a vote of 4:1, with Comm. Pollard voting present.

3. **Physician Credentialing.** The Medical Executive Committee met on August 25, 2014. Recommendation for approval of the all providers listed below was made by the Medical Executive Committee and presented by Dr. Kim Witkop.

Recredentialing to Courtesy Staff:

David Westman, MD – Tele-radiology

Recredentialing to Affiliate Staff

Joanna Hagen, ARNP – Family Medicine

Provisional Review to Courtesy Staff:

Kara Carlson, MD – Tele-radiology

Patricia Geraghty, MD – Tele-radiology

Vivek Manchanda, MD – Tele-radiology

Madison McCulloch, MD – Tele-radiology

Kirk Myers, DO – Tele-radiology

Roderick Saxey, MD – Tele-radiology

**A motion was made and seconded to approve the recommendations for physician credentialing as presented by Dr. Kim Witkop on behalf of the Medical Executive Committee. M/Norris, S/Roberts**

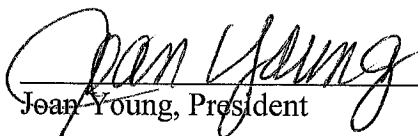
There was no further discussion and the motion unanimously carried.

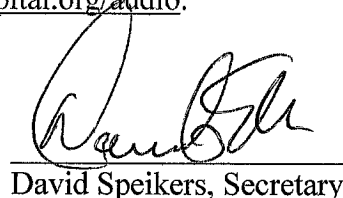
**EXECUTIVE SESSION** – The board recessed to go into Executive Session pursuant to RCW.42.30.110(c) to discuss a real estate matter at approximately 8:10. It was estimated to resume in approximately one hour.

At approximately 9:20 pm, the board reconvened, announced the next scheduled meeting, and there being no further business adjourned the meeting by motion. Please note Comm. Pollard was excused prior to the conclusion of the executive session. **M/Norris, S/Speikers**

**NEXT SCHEDULED MEETING:** Next scheduled regular meeting: Thursday, October 2, 2014, 6:30 pm, Snoqualmie City Hall.

Please note that an audio recording of meetings can be accessed on the District's website, Governance Page or <http://www.snoqualmiehospital.org/audio>.

  
Joan Young, President

  
David Speikers, Secretary