
Lewis County Hospital District No. 1 dba Arbor Health Regular Board Meeting Packet

A graphic for the Board Meeting. It has a dark blue header with the text "BOARD OF COMMISSIONERS" in white. Below this, the words "Board Meeting" are written in a large, bold, white serif font. Underneath, a light blue banner contains the text "Regular monthly meeting, open to the public" in a dark blue serif font. The main body of the graphic is dark blue and contains the text "Lewis County Hospital District #1" in a white sans-serif font, followed by "Wed., July 29th, 2020, 3 p.m." in a bold white serif font. Below this, in a smaller white sans-serif font, are the details: "Online meeting via ZOOM: <https://myarborhealth.zoom.us/j/94665550632>" and "By telephone: 253-215-8782 Meeting ID: 946 6555 0632". The bottom of the graphic features a row of white evergreen tree silhouettes.

BOARD OF COMMISSIONERS

Board Meeting

Regular monthly meeting, open to the public

**Lewis County Hospital District #1
Wed., July 29th, 2020, 3 p.m.**

Online meeting via ZOOM: <https://myarborhealth.zoom.us/j/94665550632>
By telephone: 253-215-8782 Meeting ID: 946 6555 0632

BOARD OF COMMISSIONERS

**Board Chair – Trish Frady, Secretary – Tom Herrin,
Commissioner – Craig Coppock,
Commissioner – Wes McMahan & Commissioner-Chris Schumaker**



TABLE OF CONTENTS

Agenda

Board Committee Reports

Consent Agenda

Old Business

New Business

Superintendent Report



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
REGULAR BOARD OF COMMISSIONERS' MEETING
July 29, 2020 at 3:00 p.m.
ZOOM**

<https://myarborhealth.zoom.us/j/94665550632>

Meeting ID: 946 6555 0632

One tap mobile: +12532158782,,99365012692# US

Dial by your location: +1 253 215 8782 US

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA	PAGE	TIME
Call to Order		
Approval or Amendment of Agenda		
Conflict of Interest		3:00 pm
Comments and Remarks		
- Commissioners - Audience		3:05 pm
Executive Session-RCW 70.41.205 & RCW 42.30.110 (1)(b),(c)		3:10 pm
- Medical Privileging-Janice Holmes & Katelin Forrest - To consider the minimum price at which real estate will be offered for sale or lease.		
Guest Speaker		4:00 pm
- Association of Washington Public Hospital Districts (AWPHD) - Matt Ellsworth, Executive Director		
Executive Session- RCW 70.41.200		4:30 pm
Quality Improvement Oversight Committee-Committee Chair-Commissioner McMahan & Interim Quality Manager Dexter Degoma		
Break		5:00 pm
Department Spotlight		5:05 pm
- Emergency Department - To strategically discuss department's current and future state.	6	
Board Committee Reports		
Hospital Foundation Report-Committee Chair-Commissioner McMahan	25	5:15 pm
Finance Committee Report-Committee Chair-Commissioner Herrin	33	5:20 pm
Consent Agenda – (Action items included below)		
☐ Passed ☐ Denied ☐ Deferred		
Minutes of the June 10, 2020 Regular Board Meeting (Action)	35	5:25 pm
Minutes of the June 29, 2020 Finance Committee Meeting (Action)	44	
Minutes of the July 22, 2020 Quality Improvement Oversight Committee Meeting (Action)	49	

• Minutes of the July 22, 2020 Finance Committee Meeting (<i>Action</i>)	53	
• Minutes of the June 25, 2020 Special Board Meeting (<i>Action</i>)	56	
• Minutes of the July 2, 2020 Special Board Meeting (<i>Action</i>)	58	
• Minutes of the July 9, 2020 Special Board Meeting (<i>Action</i>)	60	
• Minutes of the July 24, 2020 Special Board Meeting (<i>Action</i>)	62	
• Warrants & EFT's in the amount of \$3,232,297.84 dated June 2020 (<i>Action</i>)	64	
• Resolution 20-27-Approving the Capital Sale of Property 54307 Mountain Highway East, Elbe, WA 98330 (<i>Action</i>) ○ <i>To approve the sale of the single-family home.</i>	66	
• Resolution 20-28-Approving the Capital Purchase of Property 121 Collar Avenue, Morton, WA 98356 (<i>Action</i>) ○ <i>To approve the purchase of the multi-family rental property.</i>	67	
• Resolution 20-29-Declaring to Surplus or Dispose of Certain Property (<i>Action</i>) ○ <i>To approve liquidation of items beyond their useful life.</i>	68	
• Approve Documents Pending Board Ratification 7.29.20 (<i>Action</i>) ○ <i>To provide board oversight for document management in Lucidoc.</i>	69	
Old Business		
• RHC Visiting Nurse Services ○ <i>To defer to August 26, 2020 Regular Board Meeting.</i>		5:30 pm
New Business		
• Board & Committee Meetings ○ <i>To discuss meeting date, frequency and time options for board and committee meetings.</i>	73	5:35 pm
• PSW ACO Discussion ○ <i>To discuss entry into Accountable Care Organization (ACO).</i> ○ <i>Resolution 20-30-Approving to Contract w/ACO-Physicians of SW WA</i>	75 78	5:45 pm
• Board Education ○ Board Orientation Follow Up ▪ <i>To highlight commonly used programs by the Board and close the loop on any unanswered questions.</i> ○ Strategic Responses to the Competitive Market, Part One ▪ <i>iProtean</i> ○ Strategic Responses to the Competitive Market, Part Two ▪ <i>iProtean</i>	79 88 97	5:50 pm
• Post COVID Sustainability of Custodial Program ○ <i>To propose discontinuing the custodial care program.</i>	105	6:30 pm
• Recruitment Update ○ <i>To provide an update on recruitment.</i>	106	6:55 pm
• Annual Reviews ○ 2019 Critical Access Hospital (CAH) Evaluation ○ 2020 Quality Assessment/Performance Improvement (QAPI) Plan ○ 2020 Risk Management Plan ▪ <i>To discuss and propose approval via Resolutions for the evaluation and plans at the August 26, 2020 Regular Board Meeting.</i>	107 109 126 160	7:00 pm
• Board Policies & Procedures ○ <i>Conflict of Policies</i> ○ <i>Distribution for Board and Committee Packets</i> ○ <i>Hospital Declaration of Personal Property as Surplus</i>	172 174 175	7:15 pm
Superintendent Report	177	7:25 pm

Next Board Meeting Dates and Times Regular Board Meeting-August 26, 2020 @ 3:00 PM (ZOOM)		
Next Committee Meeting Dates and Times Finance Committee Meeting-August 18, 2020 @ 12:00 PM (ZOOM)		
Adjournment		7:45 pm

Arbor Health Emergency Department

Our Scope

- The Emergency Department (ED) provides a medical screening exam and appropriate care and treatment on a non-appointment basis to all persons who present to the department with a medical complaint.
- Qualified physicians, registered nurses (RN) and an interdisciplinary team provide assessment and treatment. Services and treatment modalities not directly available in the Emergency Department are accessed by referral or transfer to an appropriate accepting service.
- The ED is staffed 24/7/365 by a physician, RN, and an ED Tech.
- The Emergency Department cares for patients of all ages who require emergency care/stabilization for any and all medical conditions.
- All persons who present to the department are triaged by an appropriately trained registered nurse and medically screened by a physician to determine if a medical emergency exists. Appropriate care is then provided to meet the needs of the patient and family under the direction of the Emergency physician.
- Patients are medically treated and discharged, admitted to the hospital or transferred to a higher level of care. Prior to a transfer, a patient's medical condition is stabilized such that within reasonable medical probability, no deterioration to the condition or expected outcome for recovery of the patient is likely to result from or occur during the transfer/transport.
- The ED receives specialty medical support via telemedicine services or affiliated hospitals – example, Telestroke is provided by Providence Healthcare.
- On average, 4% of our hospital admissions come from the ED.

Arbor Health Morton Hospital is an active participant in the state Trauma Registry and Emergency Cardiac & Stroke System. We are currently designated as

- Trauma Level V
- Emergency Cardiac Level II
- Emergency Stroke Level III



Emergency Medical Treatment & Labor Act

Affectionately
known as
EMTALA

- EMTALA is a federal law enacted over 30 years ago with the simple concept to:
 - evaluate and stabilize all patients suffering a medical emergency who come to a hospital's emergency department regardless of their ability to pay.
- Under EMTALA, Arbor Health is required to provide a medical screening examination (MSE) to any individual who comes to the emergency department and it further prohibits us from refusing to examine or treat individuals with an emergency medical condition.
- The RN triage does not constitute a medical screening exam. In our hospital, only the ED physician can conduct the medical screening exam.
- The MSE and/or stabilizing treatment must be timely and cannot to be delayed in order to inquire about payment status.
- The ED must provide necessary stabilizing treatment for emergency medical conditions and labor within the hospital's capability and capacity.

Washington State Trauma System

Trauma center levels across the United States are identified into 5 different levels. The different levels (ie. Level I, II, III, IV or V) refer to the kinds of resources available in a trauma center and the number of patients admitted yearly.

Participation in the Trauma System verifies the presence of the resources for one's trauma level and includes a commitment, readiness, resources, policies, patient care, and performance improvement.



Washington State Trauma System Levels

- Level I Trauma Center is a comprehensive regional resource that is a tertiary care facility central to the trauma system. A Level I Trauma Center is capable of providing total care for every aspect of injury – from prevention through rehabilitation. (Harborview)
- Level II Trauma Center is able to initiate definitive care for all injured patients. (Tacoma)
- Level III Trauma Center has demonstrated an ability to provide prompt assessment, resuscitation, surgery, intensive care and stabilization of injured patients and emergency operations. (Olympia & Puyallup)
- Level IV Trauma Center has demonstrated an ability to provide advanced trauma life support (ATLS) prior to transfer of patients to a higher level trauma center. It provides evaluation, stabilization, and diagnostic capabilities for injured patients. (Centralia, Tacoma, Elma)
- Level V Trauma Center provides initial evaluation, stabilization and diagnostic capabilities and prepares patients for transfer to higher levels of care. (Arbor Health)



Arbor Health Level V Trauma

Level V Trauma Center provides initial evaluation, stabilization and diagnostic capabilities and prepares patients for transfer to higher levels of care.

- Basic emergency department facilities to implement ATLS protocols.
- Available trauma nurse(s) and physicians available upon patient arrival.
- After-hours activation protocols if facility is not open 24-hours a day.
- May provide surgery and critical-care services if available.
- Has developed transfer agreements for patients requiring more comprehensive care at a Level I through III Trauma Centers.

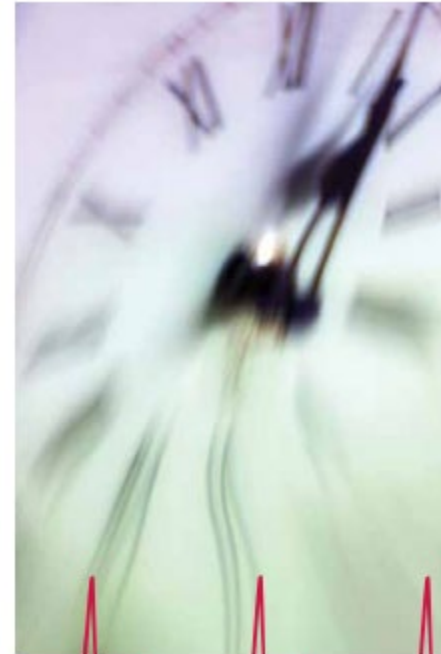


Saving TIME Saves LIVES



THE PROBLEM: Too many people become disabled or die because they don't get treatment in time

- Most strokes (80 percent) are caused by clots. In 2008, only 4 percent of this type of stroke were given the best treatment – the clot-busting drug tPA.
- Primary percutaneous coronary intervention (PCI) is the most effective treatment for heart attack. PCI includes angioplasty (balloon) and stenting. Less than half of all people who have a heart attack get PCI.
- Access to resources for diagnosing and treating heart attacks and strokes varies, especially in rural areas.
- Often people having a heart attack or stroke are transported to the nearest hospital, only to be transferred to another hospital for treatment.

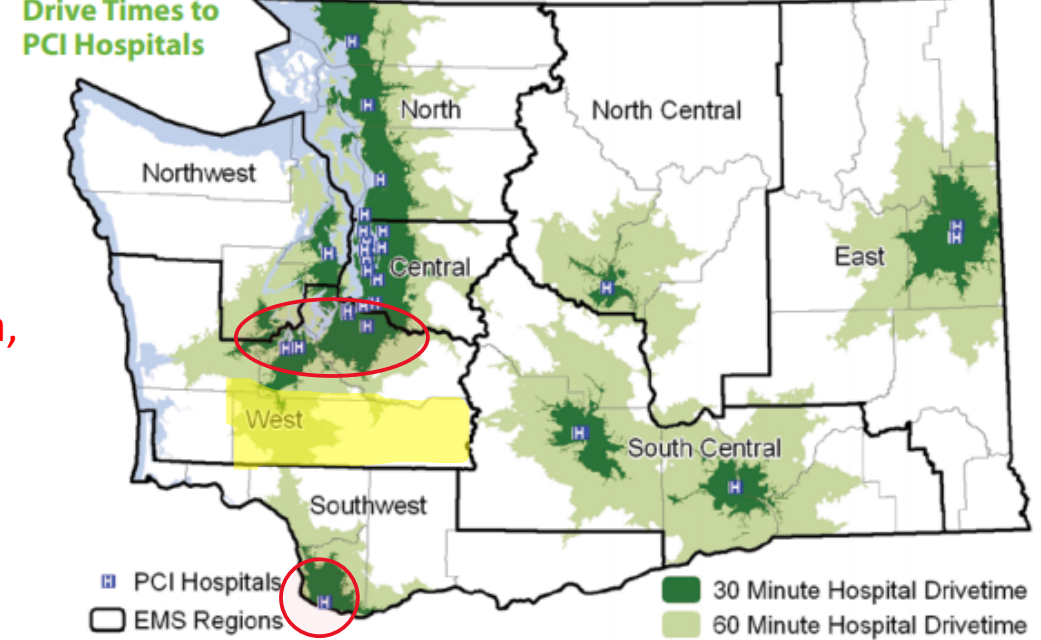


A Matter of Time...

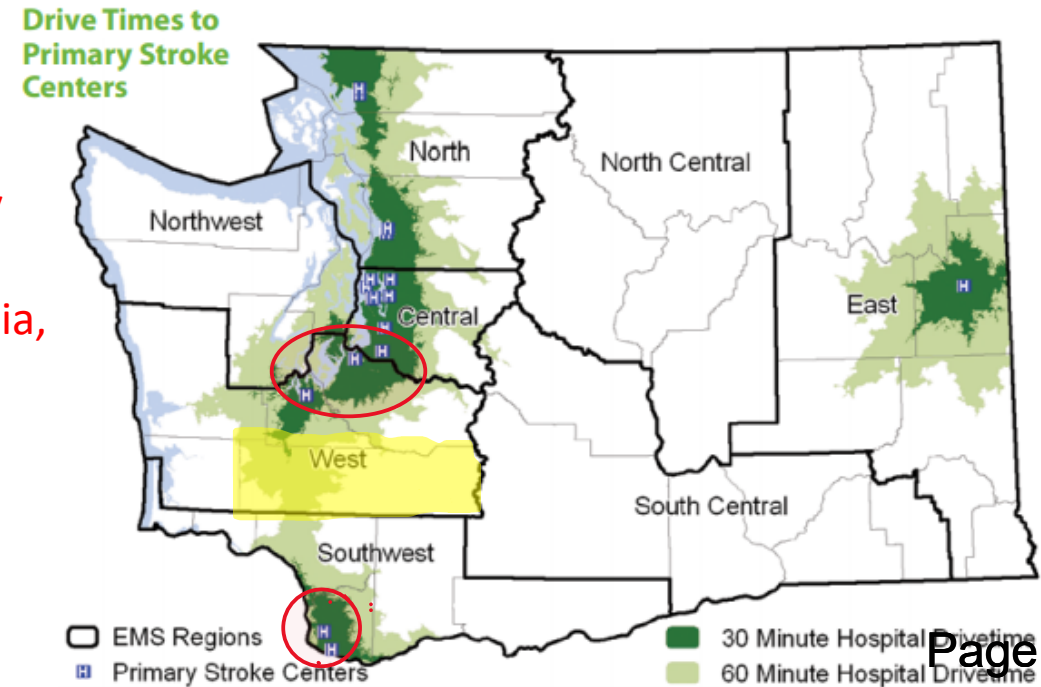
These maps tell part of the story – there are vast areas of the state where the treatments with the best outcomes are not available within an hour's drive, especially for stroke. We need to fill in these gaps, and we need to get patients directly to hospitals that can treat them.

The new system will identify hospitals able to treat, and will put prehospital procedures in place to get patients to those hospitals. This will significantly reduce time to treatment and improve outcomes, meaning fewer deaths and less disability.

Closest PCI:
Olympia, Tacoma,
Puyallup, or
Vancouver



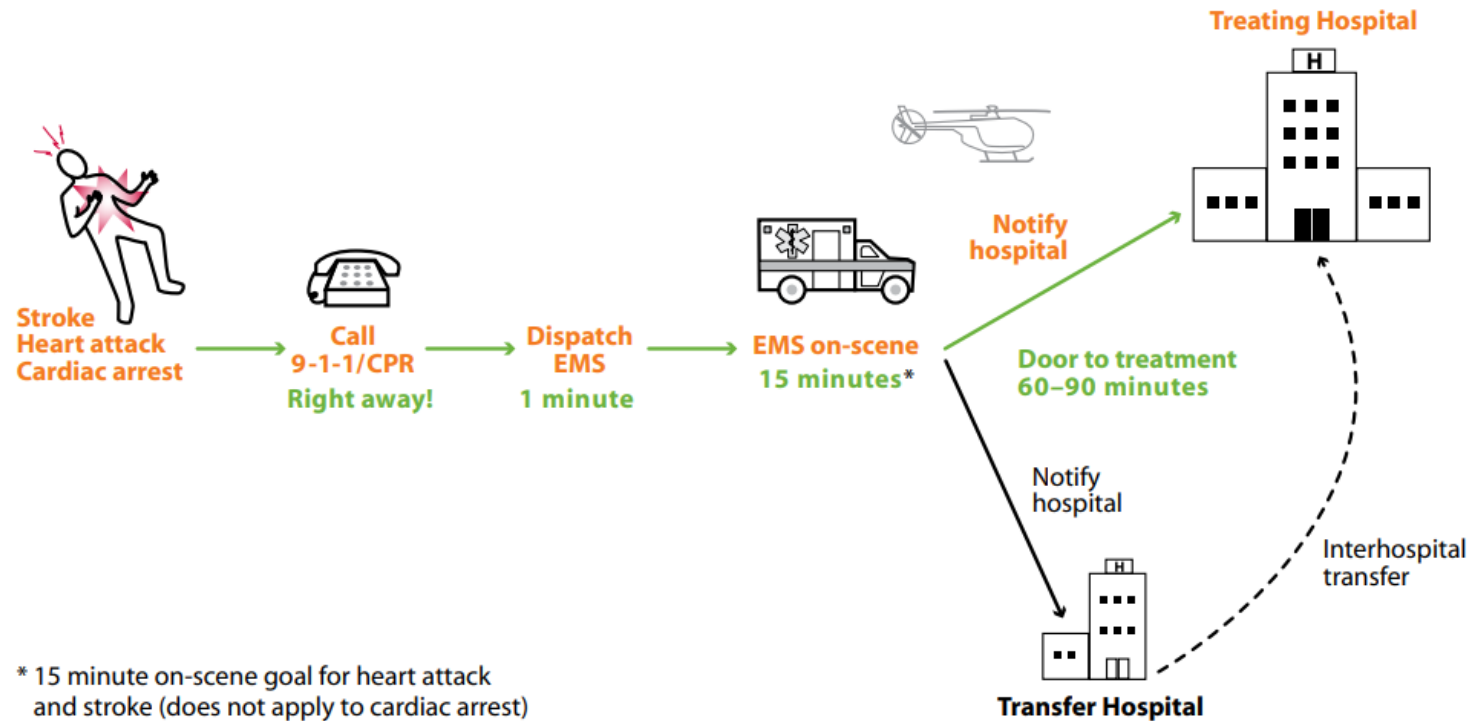
Closest Primary
Stroke Center:
Tacoma, Olympia,
or Vancouver



Washington State Emergency Cardiac & Stroke System

GOAL:

Symptom onset to treatment = less than 120 minutes



Washington State Emergency Cardiac & Stroke System

Created in 2010 to save lives and reduce disability for heart attack, cardiac arrest, and stroke patients.

System goals

The new system will help prevent deaths, disability, and nursing home placements due to heart attack, stroke, and cardiac arrest.

- 120 minutes symptom onset to treatment
 - 15 minutes EMS on-scene – heart attack and stroke
 - 30 minutes door-to-needle – heart attack
 - 60-90 minutes door-to-balloon – heart attack
 - 60 minutes door-to-tPA – stroke
 - 90 minutes first medical contact to treatment
- Set cardiac arrest goals
- Participating hospital one hour from every citizen
- Increase percentage of cardiac/stroke patients who arrive by EMS
- Increase percentage of patients EMS notified hospital pre-arrival

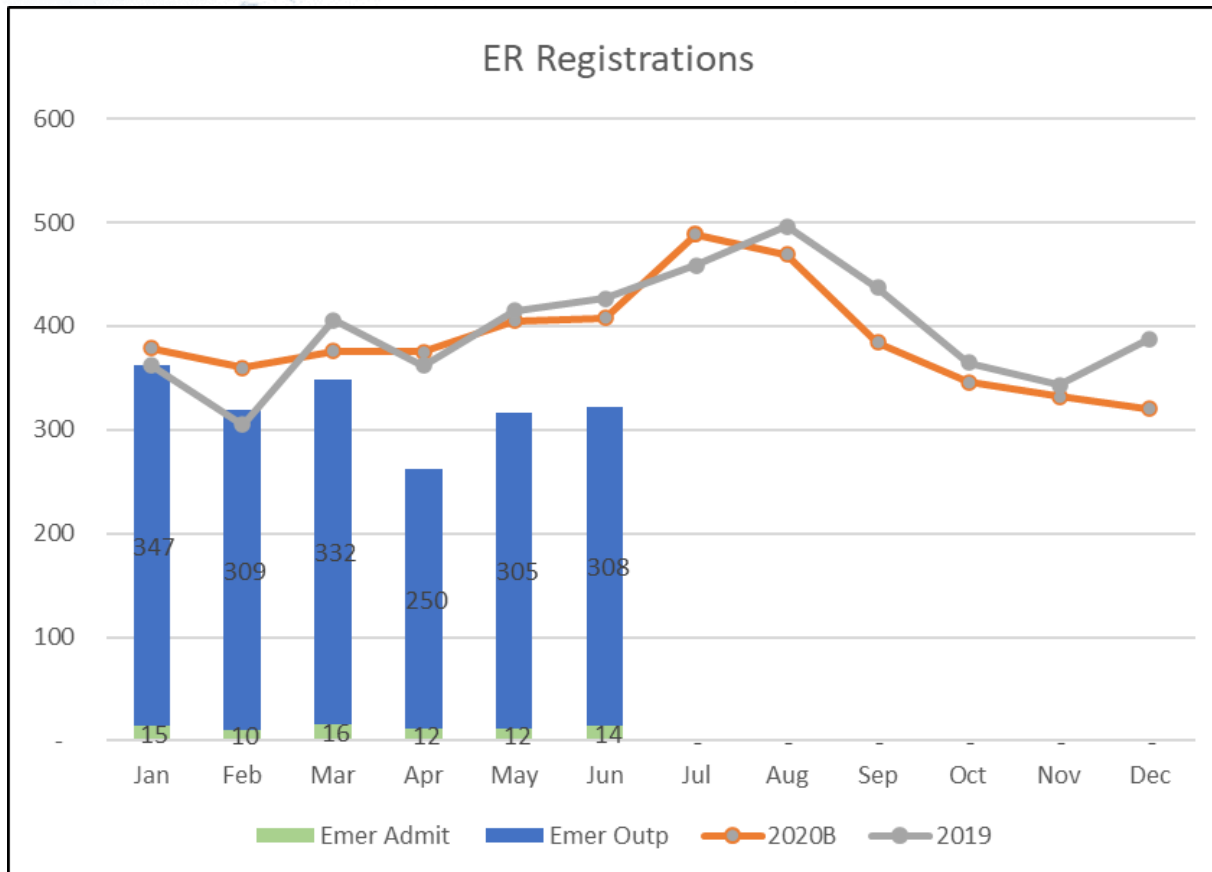




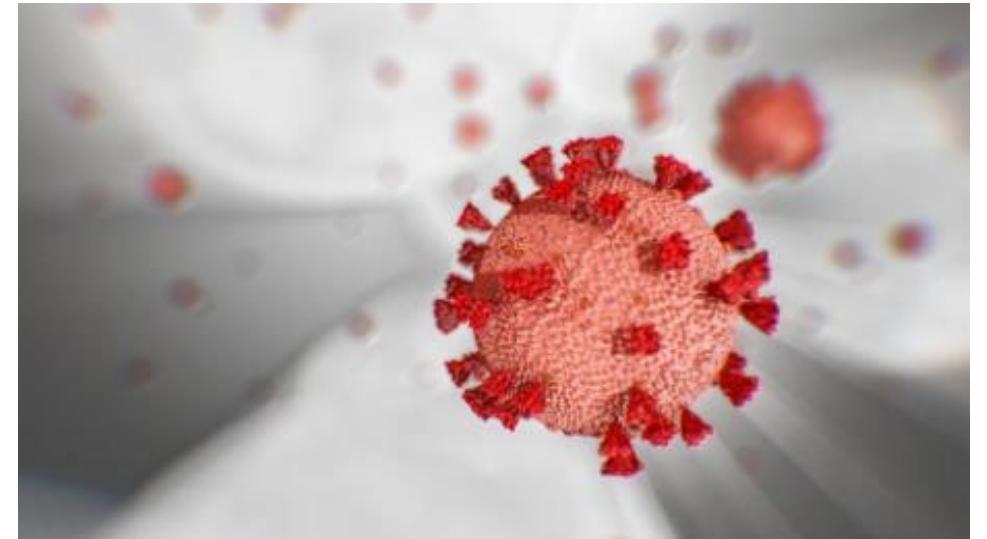
2019 – 2020 Accomplishments

- Renewed Trauma Level V designation
- Renewed Cardiac Level II certification
- Renewed Stroke Level III certification
- Had a clean DOH survey (2019)
- Fully staffed Emergency Department physicians
- Consistently high patient satisfaction scores
- Adventure Medics Ambulance Services

Volumes:
We want to be **THE** place our community trusts to diagnose and stabilize their care.



And then COVID arrives in the Spring. . .





Quality and Patient Safety Metrics

2Q 2020 Metrics

A. IMPROVE PATIENT SAFETY, QUALITY, and SERVICE

METRIC	MEASUREMENT	TARGET	2019	2020 YTD	1QTR20	2QTR20	3QTR20	4QTR20
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)								
Overall Assessment	Yes	≥50% Top Box	55	59.4	69.6	49.2		
Overall rating ER care	Yes		57.5	63.05	76.1	50		
Likelihood of recommending	Yes		52.5	55.7	63	48.4		



Quality and Patient Safety Metrics

2Q 2020 Metrics

B. IMPROVE RESOURCE UTILIZATION

METRIC	MEASUREMENT	TARGET	2019	2020 YTD	1QTR20	2QTR20	3QTR20	4QTR20
Reduce Readmissions								
% Return ER Visits w/in 72 hours	(Number of ER patients returning with same or similar diagnosis to the ER within 72 hrs of their initial visit / Total ER visits) x 100	20% Reduction from prior year	2.4	0.72	0.72	0.72		





Quality and Patient Safety Metrics

2Q 2020 Metrics

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	TARGET	2019	2020 YTD	1QTR20	2QTR20	3QTR20	4QTR20
ED Transfers and Communication								
Total ED Transfers	All of transfers from an ED to another healthcare facility	No Target	186	110	59	51		

Transfer Agreements with:
Harborview
Providence Health
MultiCare Healthcare

PeaceHealth St. John
Legacy Emanuel Hospital System



The Future

Opportunities:

- Stabilize core nurse staffing and enhance competency skills
- Patient satisfaction:
 - Improve comfort of waiting area
 - Opportunities to safely and more conveniently facilitate family/friends needs within limited physical space
- Performance Improvement:
 - Successful Completion of DNV *Acute Stroke Ready* Certification
 - Tracking and focus on workflows and compliance with evidence-based guidelines for:
 - Sepsis
 - Stroke Care
 - Heart Attack Care



Thank you Very Much!

Questions?

BOARD COMMITTEE REPORTS

Arbor Health Foundation Meeting Minutes

Tuesday February 11, 2020

Hospital Conference Room

Attendance: Ali Draper, Diane Markum, Bev Grow, Marc Fisher, Annaliese Mitten, Shelley Riggs, Stephanie Poffile-Rudd, Caro Johnson, Lynn Bishop, Chris Preheim, Gwen Turner, Janine Walker

Excused: Louise Fisher

Guests: Terri Camp, Kevin Conger

Call to Order by President Ali Draper at 12:02pm

Guest Speaker: Kevin Conger, Dietary Department

Kevin manages the cafeteria, the kitchen, patient meals, guests, and catering. They provide approximately 150 meals a day and she does rounds with the medical staff. She has eleven full-time, part-time and on-call staff.

Terri Camp, Chief Clinical Officer, reported that she oversees the clinical staff, swing bed care transitional care and case management. The hospital has 24 beds set up and ready.

A motion was made to accept Janine Walker as a new board member. Lynn Bishop/Ann Marie Fosman

January minutes were approved. Chris Preheim/Gwen Turner

Treasurers Report approved. Chris Preheim/Bev Grow

Old Business:

The proposed 2020 budget was discussed was approved. Chris Preheim/Bev Grow

Employee Gift Cards were discussed and it was agreed to name them appreciation cards, rather than holiday cards.

Lynn Bishop reported on the Mommy Shower which will be held on February 29, 2020 and said that the committee is working on gift bags for the participants. There will be free diapers for early registration as well as diaper cakes and door prizes.

The Women's Brunch will be April 25 at the Bob Lyle Center. Creative Catering will be providing the food and Mary Proffit will be the guest speaker. Lynn invited Board Members to volunteer and stay after the Board Meeting for more information.

Ali reported that Corks and Caps is planned for May 30 and will be held at the Mayfield Lake venue. Donations and volunteers are needed for this project.

New Business:

A discussion was held regarding a memorial for Carroll LaGra who was a charter member of the Foundation. Ali and Gwen volunteered to look at options and bring a recommendation to the Board.

All Board members were asked to sign the annual Conflict of Interest and Nondiscrimination forms for 2020.

Meeting Adjourned 1:02

Next meeting March 10, 2020 (possibly at Nachos Restaurant in Mossyrock)

Arbor Health Foundation Meeting Minutes

Tuesday April 14, 2020

Online Zoom Meeting

Attendance: Ali Draper, Diane Markum, Bev Grow, Annaliese Mitten, Caro Johnson, Lynn Bishop, Betty Jury, Loren Davidson, Myrna Davidson, Leianne Everett, Cindy Scott, Gerri Maize, Ann Marie Fosman

Call to Order by President Ali Draper at 12:02pm

Treasurers Report was reviewed and approved. Caro Johnson/Bev Grow

Directors Report:

With the “Stay Home, Stay Safe” Order in place, all of the activities of the Foundation have been placed on hold and things remain quiet.

CEO Report:

One patient has tested positive for the Covid virus and was released to home quarantine. No other cases of the virus have been found in the area. The hospital was low on Personal Protective Equipment, but is now in good shape. A Covid hotline has been established for anyone with concerns. The Morton Clinic has now come under the umbrella of the hospital and clinics and is now called Arbor Health medical Clinic. Dr. Fritz has been added to the staff there.

Old Business:

All events have been postponed until the Stay Home Order is lifted

New Business:

A new computer is needed for the gift shop and after discussion a motion was made to approve up to \$1000 for the purchase of a new one. Diane will work with IT to determine the best option.

Both Diane and Gerri have had multiple problems with the online banking at Security State Bank. They have had to continually request assistance to access the accounts and have also found that the bank is debiting our account for funds that were intended to automatic monthly donations. A motion was made to open accounts with Key Bank of Morton and transfer our accounts there. Arbor Health Foundation officers and signors on the bank accounts are to be assigned as follows:

Diane Markum, Executive Director

Virginia Ali Draper, President

Marc Fisher, Vice President

Caro Johnson, Secretary

Gerri Maize, Treasurer

Online banking rights are to be assigned to Diane Markum, Virginia Ali Draper and Gerri Maize.

A motion was made and approved to move the accounts to Key Bank of Morton.

Motion Approved Caro Johnson/Bev Grow

Meeting Adjourned 12:48

Arbor Health Foundation Meeting Minutes

Tuesday May 12, 2020

Online Zoom Meeting

Attendance: Ali Draper, Diane Markum, Caro Johnson, Lynn Bishop, Myrna Davidson, Ann Marie Fosman, Marc Fisher, Louise Fisher, Chris Preheim, Wes McMahan, Shelly Riggs, Jenn Katz, Richard Boggess, Stephanie Poffile-Rudd, Gwen Turner.

Guest: Tony Nelson

Excused: Bev Grow

Call to Order by President Ali Draper at 12:00pm

April minutes approved: Chris Preheim, Gwen Turner

Treasurers Report was reviewed and approved: Caro Johnson, Chris Preheim

CEO Report-Richard Boggess

The Morton clinic has been incorporated under the umbrella of Arbor Health. Dr Fritz will be added to the clinic, along with Dr Cooper and Dr. Hanson. The Stay Home Order has changed the way the hospital does things; however, the front doors are now open and staff are masking up to serve patients. The hospital has a new billing service, as the prior company had some issues. Some elective surgeries are being scheduled.

Directors Report:

The Grateful Patient Program has been put on hold due to problems with confidentiality. Diane is still working on the Welcome Packets, and the brochures are printed and the magnets are in progress.

Old Business:

The foundation bank accounts have been changed from Security State to Key Bank, the information has been turned in and the process should be completed by the next meeting.

New Business:

The Caps and Corks committee will be meeting to discuss scheduling the event this year, and may consider a summer date with an outdoor setting.

Cards have been sent out to Board Members however an enclosure that was meant to be included was missed and members may get a second mailing.

Diane has Board Books for new members. The gift shop will be open on a limited basis one a week to staff.

Meeting Adjourned 12:55

Arbor Health Hospital Foundation
Virtual Meeting Agenda
June 9, 2020 at noon

Call to Order:

Attendanc—Ali Draper, Diane Markham, Marc Fisher, Lynn Bishop, Pat Siesser, Betty Jurey, Shelly Riggs, Stephanie Poffile-Rudd and Ann Marie Forsman with excused absences for Leianne Everett, Geri Maize, and Caro Johnson.

Approval of May minutes and Treasurer's report

We noted the needed correction of the spelling of Ann Marie's name in the May minutes and change Betty's in the treasurer's report.

Minutes: It was moved by Pat, seconded by Ann Marie and approved by vote

Treasurer's report: Diane said that the entry for Parker, Smith & Feek was the annual fee to have our treasurer bonded.

Moved by Ann Marie, seconded by Betty and approved by vote

Administrator's report: none, as Leianne was not present

Executive Director's report:

The Welcome Packet is proceeding, with brochures, hand sanitizer, and magnets. Ali and Leanne will each include a letter.

New binders have been prepared for our new members, and they have been appreciated. Any other members who would like a replacement binder may ask for one. Marc said he would like one.

Progress has been delayed in the Grateful Patient Project, due to HIPAA restrictions on using patient information to mail the letters. It was suggested that they could be sent home with the discharge packet.

Old Business:

Corks 'n Caps: Committee is waiting to hear back from the proposed venue, Mayfield Lake Resort & Marina, to see if they will rent the outdoor area so we can have the event with social distancing. Diane said the committee is hoping it can possibly happen in late August.

Bank Account Status: The new account has been opened and Geri has the tools to transfer.

New Business:

Bylaws Review: Diane suggested mostly cosmetic changes. The last review had been done when the Foundation was waiting for the name change to be approved by the IRS. One significant one was mentioned by Diane involving the Scholarship Committee. The Bylaws as written state that the Foundation secretary would chair this committee. Diane is recommending that the executive director would be a better choice as she has more information.

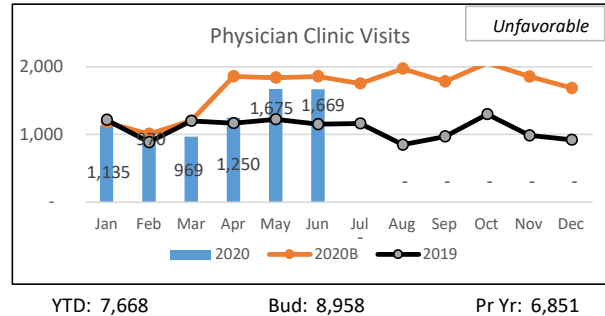
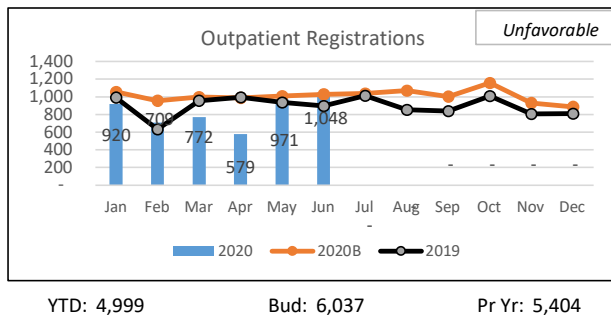
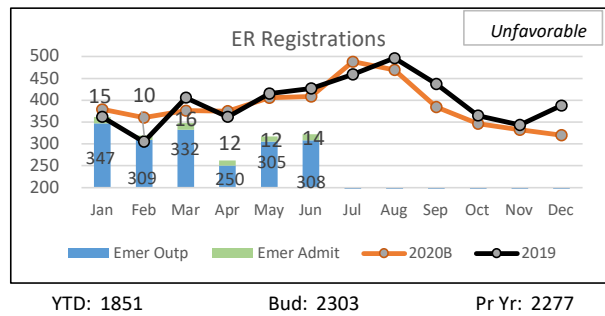
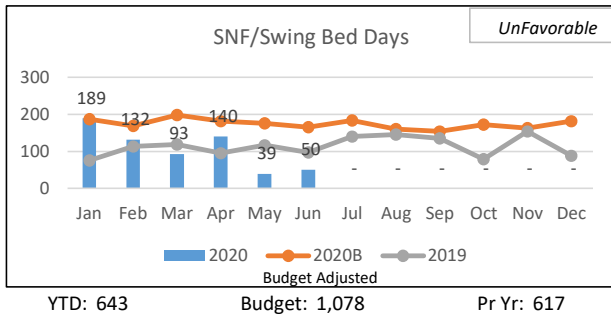
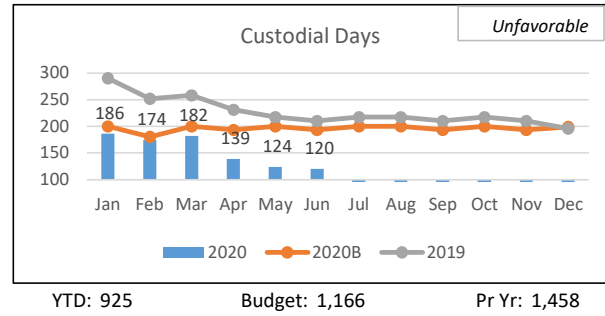
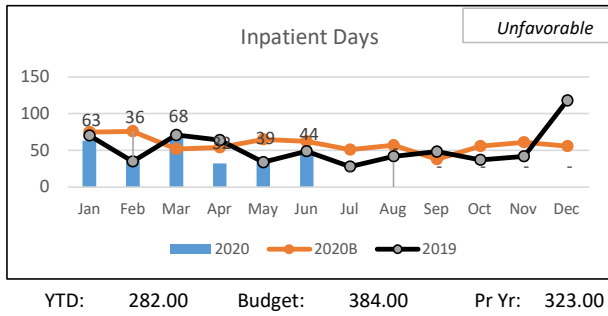
Other discussion: members asked about how the nursing staff was doing, and how the Randle Clinic was faring with providers. Diane reported that Arbor Health is recruiting providers for the Randle Clinic. She said they were working on getting business back to the hospital and clinics and told of an ad campaign with the Housekeeping staff.

Meeting adjourned. The next meeting will be July 14th.

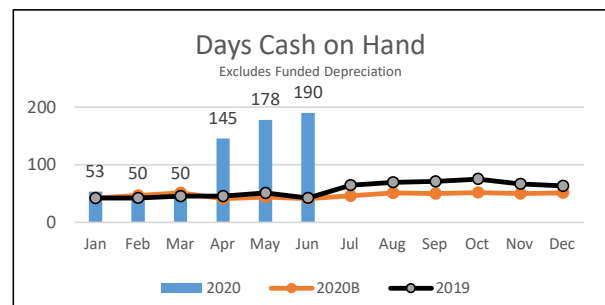
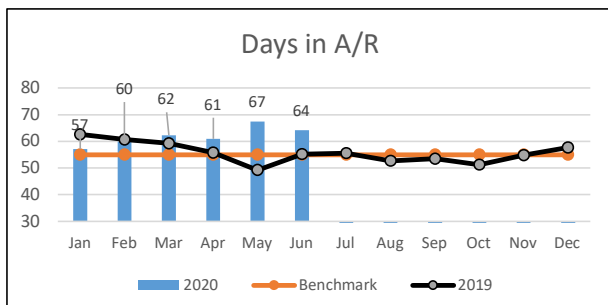
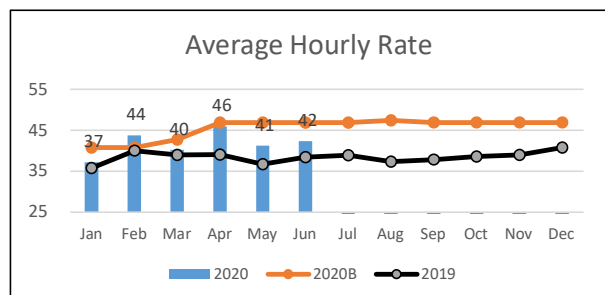
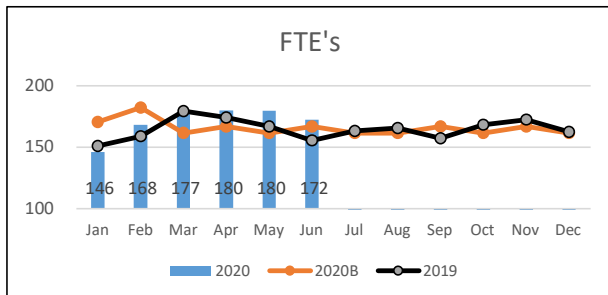
Lewis County Hospital District No. 1 Board Financial Summary

June 30, 2020

Growth



People and Operational Aspects



CONSENT AGENDA



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
REGULAR BOARD OF COMMISSIONERS' MEETING**

June 10, 2020 at 3:00 p.m.

ZOOM

<https://myarborhealth.zoom.us/j/99365012692>

Meeting ID: 993 6501 2692

One tap mobile: +12532158782,,99365012692# US

Dial by your location: +1 253 215 8782 US

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA TOPIC	CONCLUSION	ACTION ITEMS
Call to Order	Board Chair Frady called the meeting to order via Zoom at 3:00 p.m. Commissioners present: ☒ Trish Frady, Board Chair ☒ Tom Herrin, Secretary ☒ Shelly Fritz ☒ Wes McMahan ☒ Chris Schumaker Others present: ☒ Leianne Everett, Superintendent ☒ Shana Garcia, Executive Assistant ☒ Sara Williamson, CNO/CQO ☒ Katelin Forrest, HR Generalist ☒ Janice Holmes, Medical Staff Coordinator ☒ Richard Boggess, CFO ☒ Shannon Kelly, HR Director ☒ Jeff Robbins, Maintenance Manager ☒ Buddy Rose, Reporter ☒ Roy Anderson, Compliance Officer ☒ Diane Markham, Director of Marketing & Development ☒ Julie Taylor, Director of Ancillary Services ☒ Elee Fairhart, Morton Resident ☒ Craig Coppock, Mossyrock Resident	



Approval or Amendment of Agenda		Secretary Herrin made a motion to approve the amended agenda. Commissioner Schumaker seconded and the motion passed unanimously.
Conflicts of Interest	Superintendent Everett asked the board to state any conflicts of interest with today's agenda.	None noted.
Comments and Remarks	Commissioners: Commissioner Fritz thanked both former and current Board members, as well as the Leadership Team for their commitment to the District. She encouraged the new commissioners to reach out to former commissioners regarding questions concerning decisions and/or the direction the Board took on historical items. She reiterated the trust and support the Medical Staff has in Superintendent Everett. Commissioner Herrin noted he hopes to have the same impact being on the Board as Commissioner Fritz and is thankful for what he has learned to this point. Commissioner Schumaker noted he looks forward to representing and doing good work for his district. Board Chair Frady thanked Commissioner Fritz for her leadership of the Board and wished her the best in the future. She presented Commissioner Fritz with a clock to show the Board's appreciation for her years of service. Audience: Craig Coppock, a Mossyrock Resident thanked Commissioner Fritz for her consideration and is excited for the potential opportunity of serving on the Board. Elee Fairhart, a Morton Resident inquired on the length of time left on the Paycheck Protection Program (PPP). CFO Boggess noted this is an eight-week program, so the end of June 2020.	
Executive Session- RCW 70.41.205 Medical Privileging- Katelin Forrest	Executive Session began at 3:18 p.m. for twenty minutes to discuss Medical Privileging. The Board returned to open session at 3:38 p.m. No decisions were made in Executive Session.	Commissioner Fritz identified a conflict of interest with the Initial Appointment, as Anthony



		Fritz is a relative, so will abstain from voting on his privileges. Secretary Herrin made a motion to approve the Medical Privileging as presented and Commissioner Schumaker seconded. Commissioner Fritz abstained from voting on the Initial Appointment and the motion passed unanimously. <u>Initial Appointments:</u> 1. Anthony Fritz, MD – Active – (Arbor Health – Internal Medicine Privileges) <u>Reappointments:</u> 1. Amit Kansara, MD - Consulting – (Providence – Telestroke Privileges) 2. Richard Kennedy, MD - Consulting – (Providence Cardiology Associates – EKG & Echo Interpretation Privileges) 3. Timothy Larson, MD - Consulting – (Providence Cardiology Associates – EKG & Echo Interpretation Privileges) 4. Qiang Li, MD - Consulting –
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		(Providence Cardiology Associates – EKG & Echo Interpretation Privileges) 5. Jimmy Swan, MD - Consulting – (Providence Cardiology Associates – EKG & Echo Interpretation Privileges) 6. John Waggoner, MD - Consulting – (Providence Cardiology Associates – EKG & Echo Interpretation Privileges) 7. Michael Wynn, MD - Consulting – (Providence – Telestroke Privileges)
Department Spotlight	Superintendent Everett noted we will restart department spotlights at the next Regular Board Meeting on July 29, 2020.	
Break	Board Chair Frady called for a five-minute break at 3:42 p.m. The Board returned to open session at 3:47 p.m.	
Board Committee Reports Finance Committee Report	CFO Boggess highlighted the following: - Income Statement shows a 32% decrease in revenues due to COVID. - Other Operating Revenue includes governmental released funding that the District took advantage of the available programs during the pandemic. - Expenses were favorable to budget. - The budget is favorable by 48% with a net income stronger than budget for the month, year to date and a little worse than the prior year's performance. - Overall, the District is fairing pretty good during this pandemic and trending like other Critical Access Hospital's (CAH) in rural America.	



	CFO Boggess noted we will be starting the operational budget for 2021 and Administration will be determining what the methodology behind it. The District is marketing to restart programs to bring back volumes, as well as continuing to build relationships to build back the swing bed programs to bring patients home.	
Compliance Committee Report	Commissioner McMahan highlighted the Compliance Minutes in the packet. There is one open public records request and Commissioner McMahan confirmed he acknowledges he has a conflict of interest if he needs to excuse himself. Compliance Officer Anderson has been focused on regulations related to COVID and concluded there have been no major concerns in first quarter.	
Plant Planning Committee Report	Maintenance Manager Robbins highlighted that the Generator/OR HVAC bids are open and scheduling onsite walk throughs with contractors to accommodate social distancing. The District is considering purchasing duplexes in Morton for interim/contracted housing given the rental market is so challenging. Commissioner McMahan questioned if the District was leasing the equipment for this project for seven years. CFO Boggess clarified that we are not leasing, and this is a seven-year note with GE Capital.	
Consent Agenda - Minutes of the May 6, 2020 Regular Board Meeting <i>(Action)</i> - Minutes of the May 13, 2020 Medical Staff Meeting <i>(Action)</i> - Minutes of the May 18, 2020 Finance Committee Meeting <i>(Action)</i> - Minutes of the May 27, 2020 Compliance Committee Meeting <i>(Action)</i> - Minutes of the May 27, 2020 Special Board Meeting <i>(Action)</i>	Commissioner McMahan inquired on Resolution 20-21 as the Resolution is referencing the CIC Local 2767 Letter of Understanding (LOU) Extension and the supporting documentation is for the WSNA COVID-19 MOA. HR Director Kelly confirmed we need two resolutions for both unions. The 2767 Union requested an extension and did not need a COVID-19 MOA; however, WSNA wanted a COVID-19 MOA in writing. Executive Assistant Garcia will correct Resolution 20-21 to Approving the WSNA COVID-19 MOA and will create Resolution 20-24 Approving the CIC Local 2767 LOU Extension. The Board agreed to approve the Consent Agenda minus Resolution 20-21 and 20-24, which will be discuss further in New Business.	Action Item-Executive Assistant Garcia will revise Resolution 20-21 and create Resolution 20-24. Commissioner Fritz made a motion to approve the Consent Agenda minus Resolution 20-21 and 20-24, Secretary Herrin seconded. The motion passed unanimously.



• Warrants & EFT's in the amount of \$2,522,763.20 dated April 2020 <i>(Action)</i> • Warrants & EFT's in the amount of \$3,993,310.68 dated May 2020 <i>(Action)</i> • Resolution 20-21- Approving Carpenters Industrial Council (CIC) Local 2767 Contract Extension <i>(Action)</i> • Resolution 20-22- Designating Applicant Agent & Alternate Applicant Agent for WA FEMA Public Assistance <i>(Action)</i> • Resolution 20-23- Approving the Petty Cash Drawers & Custodians of the District <i>(Action)</i> • Approve Documents Pending Board Ratification 06.10.20 <i>(Action)</i>		
Old Business • Handling Complaints, Comments & Questions in the Community	Board Chair Frady presented the Commissioner Business Cards as a tool to give to the District while handling complaints. The card will reiterate the patient is being heard and provide a number to call which is consistent with our complaint resolution process.	Action Item-Executive Assistant Garcia will order the Commissioner Business Cards.
• Minutes of the February 11, 2020 Compliance Committee Meeting <i>(Action)</i>	Commissioner McMahan thanked Compliance Officer Anderson for updating the February 11, 2020 Compliance Minutes; however, he noticed they were never officially approved by the Board after the edits were requested.	Secretary Herrin made a motion to approve the minutes and Commissioner McMahan seconded. The motion passed unanimously.
New Business • RHC Visiting Nurse Services	Superintendent Everett started evaluating visiting nurse services. The visiting nurse will provide services that our Rural Health Clinics are providing today which include,	



	but are not limited to immunizations, blood pressure checks, etc.	
Mobile Clinic	Superintendent Everett has started researching the mobile clinic service for the District with legal.	
Insurance Policies	Superintendent Everett is evaluating volume projections with the broker given the impact of COVID-19. This topic will be address further at finance committee for the annual review.	
Board Education	Board Chair Frady reiterated how informative the iProtean education is for the Board. Superintendent Everett shared COVID has presented the District to explore opportunities to deliver medicine in unconventional manner. The District adopted their Community Health Needs Assessment in May and next steps include addressing some of the high priority community needs and determining the best way to enhance the health and wellness of the community. Superintendent Everett will address operationally the goals to start addressing these topics now that COVID-19 is being managed for the time being. She will be reporting more information on this topic in third quarter.	Action Item- Superintendent Everett will establish account access for the new commissioners once their email accounts are created.
Board Policies & Procedures	Commissioner McMahan noted his concerns he raised before regarding the Code of Ethics. Superintendent Everett noted this a is a road map to guide the Board. Compliance Officer Anderson reiterated this is an OIG requirement for the Board. The Board supported marking the following three policies and procedures as reviewed. 1. Annual Adoption of the Quality Program Plan 2. Code of Ethics 3. Commissioner Compensation for Meetings and Other Services	Action Item-Executive Assistant Garcia will mark the three policies and procedures as reviewed. Commissioner Fritz made a motion to mark the policies and procedures as reviewed and Commissioner McMahan seconded. The motion passed unanimously.
Break	Board Chair Frady called for an eight-minute break at 4:52 p.m. The Board returned to open session at 5:00 p.m.	
- Interview Commissioner Candidates for Position #3- Mossyrock & Silver Creek Areas - To interview commissioner candidate(s)	Board Chair Frady noted Craig Coppock will be interviewed today and the interview questions provided were as follows: 1. What makes our mission meaningful to you? 2. What motivates you? 3. How do you represent to your constituents a board's decision you were opposed to? 4. How would you leverage your position in the community and advocate for the District?	



<i>for the vacant position.</i>	Board Chair Frady asked if there was anyone else participating in today’s meeting that wanted to be considered for Position #3. Hearing none, the Board proceeded with the interview.																																									
Executive Session-RCW 42.30.110 (h)	Executive Session began at 5:10 p.m. for five minutes to discuss RCW 42.30.110 (h). The Board returned to open session at 5:15 p.m. No decisions were made in Executive Session.																																									
New Business Continued Oath of Office	Board Chair Frady reminded the candidate that the appointee will need to run for office in 2021, as this term will be to finish the original six-year term vacated by Shelly Fritz which will end December 31, 2021. Board Chair Frady requested a motion for the appointment of Lewis County Hospital District No. 1 Position #3. Commissioner Fritz officially resigned from Position #3. Craig Coppock was sworn in by Michelle Matchett, Notary Public, for his Board of Commissioners appointment beginning June 10, 2020.	Commissioner Fritz made a motion to appoint Craig Coppock for Position #3 and Secretary Herrin seconded. The motion passed unanimously.																																								
2020 Organization of the Board of Commissioners	Board Chair Frady noted the organization of the Board Committees needed to be updated. The Board agreed to the following updates:  2020 Organization & Officers of the Board of Commissioners Effective Date: June 10, 2020 <table><tr><th>Board Leadership</th><th>Board Representation</th></tr><tr><td>Board Chair</td><td>Trish Frady</td></tr><tr><td>Board Secretary</td><td>Tom Herrin</td></tr></table><table><tr><th>Committee</th><th>Administration Representation</th><th>Committee Chair</th><th>Board Representation</th></tr><tr><td>Finance</td><td>Superintendent & CFO</td><td>Tom Herrin</td><td>Craig Coppock</td></tr><tr><td>QI Oversight</td><td>Superintendent & CCO</td><td>Wes McMahan</td><td>Chris Schumaker</td></tr><tr><td>Governance</td><td>Superintendent</td><td>Trish Frady</td><td>Wes McMahan</td></tr><tr><td>Plant Planning</td><td>Superintendent & Environmental Services Manager</td><td>Tom Herrin</td><td>Chris Schumaker</td></tr><tr><td>Strategic Planning</td><td>Superintendent</td><td colspan="2">Board of Commissioners</td></tr><tr><td>Compliance Committee</td><td>Superintendent & Compliance Officer</td><td>Wes McMahan</td><td>Craig Coppock</td></tr></table><table><tr><th>Other Board Representation</th><th>Board Representation</th></tr><tr><td>Foundation</td><td>Wes McMahan</td></tr><tr><td>State Representation</td><td>Wes McMahan</td></tr></table> Board Chair Frady assigned the new commissioners with a buddy commissioner to help guide them through their appointment. The assignments are as follows:	Board Leadership	Board Representation	Board Chair	Trish Frady	Board Secretary	Tom Herrin	Committee	Administration Representation	Committee Chair	Board Representation	Finance	Superintendent & CFO	Tom Herrin	Craig Coppock	QI Oversight	Superintendent & CCO	Wes McMahan	Chris Schumaker	Governance	Superintendent	Trish Frady	Wes McMahan	Plant Planning	Superintendent & Environmental Services Manager	Tom Herrin	Chris Schumaker	Strategic Planning	Superintendent	Board of Commissioners		Compliance Committee	Superintendent & Compliance Officer	Wes McMahan	Craig Coppock	Other Board Representation	Board Representation	Foundation	Wes McMahan	State Representation	Wes McMahan	Action Item-Executive Assistant Garcia will update the 2020 Organization & Office of the Board of Commissioners and post in Lucidoc in the Board of Commissioner’s Manual for future reference.
Board Leadership	Board Representation																																									
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Committee	Administration Representation	Committee Chair	Board Representation																																							
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Governance	Superintendent	Trish Frady	Wes McMahan																																							
Plant Planning	Superintendent & Environmental Services Manager	Tom Herrin	Chris Schumaker																																							
Strategic Planning	Superintendent	Board of Commissioners																																								
Compliance Committee	Superintendent & Compliance Officer	Wes McMahan	Craig Coppock																																							
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Foundation	Wes McMahan																																									
State Representation	Wes McMahan																																									



	1. Commissioner Schumaker & Secretary Herrin 2. Commissioner Coppock & Commissioner McMahan Board Chair Frady shared if you are unable to attend a committee meeting it is up to that commissioner to find a replacement. Board Chair Frady noted she would be available to step in at the committee level too.	
Superintendent Report • Superintendent's Dashboard	Superintendent Everett highlighted the following on her dashboard: 1. Proposed scheduling community engagements either in person or via Zoom to ensure our constituents have access to their elected commissioners. 2. Introduced our new CNO/CQO Sara Williamson. 3. Shared Administration is revising the organizational chart and will present in third quarter. 4. Scheduled to present strategic initiatives/measures in draft form for the July Regular Board Meeting and a final version in August. Dashboard will be populated thereafter for the Board.	
Adjournment	Commissioner McMahan moved and Secretary Herrin seconded to adjourn the meeting at 5:45 p.m. The motion passed unanimously.	

Respectfully submitted,

Tom Herrin, Secretary

Date



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
Finance Committee Meeting
June 29, 2020 at 12:00 p.m.
Conference Room 1 & Via Zoom

AGENDA	DISCUSSION	ACTION
Call to Order	Secretary Herrin called the meeting to order via Zoom at 12:01 p.m. Commissioner(s) Present via Zoom: ☒ Tom Herrin, Secretary ☒ Craig Coppock, Commissioner Committee Member(s) Present in Person or via Zoom: ☒ Shana Garcia, Executive Assistant ☒ Richard Boggess, CFO via Zoom ☒ Leianne Everett, Superintendent ☐ Sherry Sofich, Revenue Cycle Manager ☒ Marc Fisher, Community Member ☒ Clint Scogin, Controller ☒ Sara Williamson, CNO/CQO	
Approval or Amendment of Agenda	None noted.	
Conflicts of Interest	None noted.	
Consent Agenda Review of Finance Minutes –April 20, 2020 Revenue Cycle Update Board Oversight Activities Cost Report Update Financial Statements	CFO Boggess noted the Cost Reporting Tool is showing a receivable this month. Secretary Herrin inquired on the increase in registration errors, as well as the gap in actual operating revenue versus budget. CFO Boggess shared Patient Access is onboarding new staff in their department. CFO Boggess addressed the revenue decline as part of the COVID-19 environment and the delay in service at facilities that would refer to Arbor Health. The District is taking advantage of appropriate opportunities within the CARES Act, as well as WSHA taking advice from WSHA and other expert firms in the market.	Secretary Herrin made a motion to approve the minutes. Community Member Fisher seconded, and the motion passed unanimously.

	Our accounting firm DZA continues to monitor the pandemic to ensure the District is on the right track with the monies we have received. Commissioner Coppock inquired on the marketing we are utilizing during the pandemic. Superintendent Everett shared we are currently doing a marketing campaign for Rehabilitation Services and tracking the effectiveness by number of new patients. Facebook continues to serve as one of the best ways to communicate and educate the District. Superintendent Everett noted radio continues to still have an impact, as well as direct marketing through digital ads on social media. Superintendent Everett indicated the gap in revenue is a focus at the leadership table which is why we are exploring the mobile provider and visiting nurse models. Administration is developing a phased approach to this pandemic in the event we need to reduce costs due to the decline in volumes. There is a significant effort around marketing at the state and local levels regarding healthcare is open for business and not to postpone care. Operationally we are placing holds on open positions that are not essential. Superintendent Everett recognizes that the organization may not be hearing concerns in the District and requested the Board share as information is available.	
Old Business Financial Department Spotlight	Deferring to the next meeting.	
May Capital Update	CFO Boggess noted the following on Capital Planning: - The first draw on the line of credit occurred in June and the bidding process is in process for the Emergency Power, OR HVAC, CT and XRAY. - This equipment will have maintenance contracts.	
Disaster Funding Update	CFO Boggess reviewed the Disaster Funding Update included for revenue shortfalls we are experiencing during the COVID-19 pandemic.	
New Business Post COVID Sustainability of Custodial Program	CNO/CQO Williamson noted the following on the Custodial Program: The District currently offers long term care to four custodial patients. The hospital	

	continues to do due diligence regarding COVID-19 pandemic; however, the question we are asking ourselves “is this environment the best thing for our custodial residents”. There are rigid restrictions for these patients, which leaves them with no access to family, visitors, social activities, and therapies to limit their exposure. The Custodial Residents are virtually isolated with the onset of depression, no sense of community or access to loved ones. The challenge of 1) protecting these patients, 2) segregating the patients resulting in increased staffing cost, and 3) building temporary structures to meet the regulations remains a focus of the organization. 2. The Hospital is not a nursing home where within their own walls there is still a community. 3. Administration needs to balance the needs of the District. CFO Boggess noted the following on the Custodial Program: 1. In 2018, the District moved towards being a transitional care facility. The Transitional Care Program is designed to bring our community home to recover and rehab them back home. 2. Volumes for the last eight years have declined for custodial patients. 3. The Net Revenue for a custodial bed is significantly less than a swing bed patient. The decline in patient days has been by attrition of the custodial patients out of the facility and we have elected not recruit to refill the beds. 4. The District may elect to discontinue the custodial program during COVID, and Administration will propose a different model not within these walls if we bring it back. 5. This is a nationwide concern and Administration is monitoring this program closely. Superintendent Everett noted this topic will not only be presented to the Finance Committee, but to the Quality Improvement Oversight Committee to	
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	discuss the impact of the program both from a financial and patient safety perspectives. The final step will be to propose to the Board at the July 29th, 2020 Regular Board Meeting for final decision to discontinue the service line. Superintendent Everett confirmed during this process, if we elect to discontinue the program, we will include our patient care team in assisting with placement of our four residents.	
• EMMA Submission	CFO Boggess shared the District submitted our audited financial statements to the Electronic Municipal Market Access (EMMA) service tool. The District is required to provide this information to meet one our requirements for our bond covenants.	
• Insurance Review	CFO Boggess reported the District is in the process of renewing insurance policies for 2020-2021. The District has the following policies: 1. Property Insurance-Broker-Alliant 2. Cyber Security-Broker-Alliant 3. Malpractice-Broker-Parker, Smith & Feek 4. D & O-Broker-Parker, Smith & Feek CFO Boggess is working closely with the brokers to ensure we have appropriate coverage with the current events. Premiums are increasing substantially for Property and Cyber coverages. We will mostly stay with our carriers as the environment is not favorable to go elsewhere. Superintendent Everett scheduled Jim Chesemore with Parker, Smith and Feek to be a guest speaker at the August Regular Board Meeting.	
• Duplex Purchase Review	Superintendent Everett noted the District has the first opportunity to purchase a set of duplexes in Morton. She presented at the Plant Planning Committee and they were supportive of moving forward with the purchase, as well as selling the Elbe property. Superintendent Everett is confident we will be able to serve the Elbe market through the mobile provider without having to establish a brick and mortar. As the District continues to be creative with recruiting clinical staff, housing and rentals are at a shortage. By having the duplexes and depending on the contract or employment agreement, the District will have additional options with this investment.	Action Item-Executive Assistant Garcia will create a resolution for the sale of the Elbe

	The Finance Committee supports proposing to the Board to sell the Elbe property and purchase the duplexes in Morton.	Property and the purchase of the Morton Duplexes.
Adjournment	Secretary Herrin adjourned at 1:15 pm.	



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
Quality Improvement Oversight Committee Meeting
July 22, 2020 at 7:00 a.m.
Conference Room 1 & 2 & Zoom

AGENDA	DISCUSSION	ACTION
Call to Order	Commissioner McMahan called the meeting to order at 7:01 a.m. Commissioner(s) Present in Person or via Zoom: ☒ Wes McMahan ☒ Chris Schumaker Committee Member(s) Present in Person or via Zoom: ☒ Leianne Everett, Superintendent ☒ Dexter Degoma, Interim Quality Manager ☒ Roy Anderson, Compliance Officer ☒ Char Hancock, Clinic Manager ☒ Sara Williamson, CNO/CQO ☒ Lynn Bishop, Patient Experience Representative ☒ Shana Garcia, Executive Assistance ☒ Dr. Tom Anderson, Chief of Staff ☒ Dr. Kevin McCurry, CMO ☒ Julie Taylor, Ancillary Services Director ☒ Edwin Meelhuysen, Rehabilitation Services Director Committee Member(s) Absent: ☐ Debbie King, Employee Health & Wellness	
Approval or Amendment of the Agenda	The Committee did not have any amendments of the agenda and approved it as is.	
Conflicts of Interest	The Committee noted no conflicts of interest.	
Consent Agenda	Commissioner McMahan inquired on the open action items from prior meetings. He expected those to in Old Business and requested clarification on the status of those items. Interim Quality Manager noted with CNO/CQO Williamson and himself being absent from those meeting, they elected to delete them and research those topics to have their own perspective on if the action item remains a concern. He reiterated they would review the action items and strategize on	Dr. Anderson made a motion to approve the consent agenda and Commissioner Schumaker seconded. The motion passed unanimously.

Confidential Information: prepared for quality assurance functions and protected under RCW 4.24.250, 70.41.200 and other state and federal statutes.

	the improvements that need to happen. The follow up will be included in Old Business at the next QIO Committee Meeting. Superintendent Everett assured the Committee that appropriate follow up will occur and be reported at the next meeting. Commissioners McMahan and Schumaker requested history on the CAH Evaluation, QAPI Plan and the Risk Management Plan. Interim Quality Manager Degoma highlighted the following on the evaluation and plans: 1. CMS requires CAH's to complete an annual evaluation of the services from the past year. By identifying the outcomes of the year, it provides guidance to the Leadership Team and the Board on direction for the new year. 2. The evaluation ties into the QAPI Plan, which is an ongoing document that Administration reports metrics throughout the year. The QAPI Plan provides guidance to the District on how we perform, sample and measure improvements in quality. It is important to keep the plan simple, as this is the play book for the District to manage improvement opportunities. 3. The Risk Management Plan is like the QAPI Plan in that it provides guidance on addressing patient safety issues. The Plan identifies key leadership positions that handle these situations, as well as their scope of responsibility. 4. Administration operationalizes these plans, reports the metrics and ultimately aligns with the District's Strategies. Commissioner McMahan and Schumaker requested to review in more detail the evaluation and plans with Superintendent Everett. The Committee agreed with such a new board, we will put the three documents in the Board Packet for review; however, we will not approve via resolution until the Regular Board Meeting in August.	Action Item-Executive Assistant Garcia will schedule a Zoom Superintendent Everett and Commissioners McMahan and Schumaker to review the CAH Evaluation, QAPI Plan and Risk Management Plan.
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Old Business • None.		Action Item-Interim Quality Manager Degoma will identify, follow up and report on open action items from past QIO Committee Meeting Minutes at the next meeting.
New Business • Performance Improvement (PI) Projects • <i>Employee Injury Management (Forrest & King)</i> • <i>Zero Lift Project (Meelhuysen)</i>	Debbie King with Employee Health and Wellness was absent from the meeting, so the Committee agreed to defer the Employee Injury Management report to the next QIO Committee meeting. Rehabilitation Services Manager Meelhuysen highlighted the following on the PI Project he has been actively been implementing regarding Zero Lift: 1. Employee injuries continue to be a concern. 2. Associated costs continue to increase. 3. Education is key and needs to be consistent/continuous. 4. Using mechanical lifts will improve outcomes. Interim Quality Manager Degoma shared a PI from Ancillary Services Director Taylor regarding Hand Hygiene. This continues to be a focus and is monitored on an ongoing basis.	Action Item-Interim Quality Manager Degoma will work with Debbie King to present the Employee Injury Management PI Project at the next QIO Committee Meeting. Action Item-Interim Quality Manager Degoma will email a copy of the Hand Hygiene PI to Commissioner McMahan.
• Survey Preparation Update (Degoma) • <i>To discuss the District's readiness for upcoming surveys.</i> • <i>To discuss the District's upcoming DNV Accreditation Survey.</i>	Interim Quality Manager Degoma highlighted the following on the upcoming surveys: 1. The District will have a Stroke Survey in the ED in September 2020. 2. The District will have a DNV Survey for the Hospital in November 2020. This will be the initial accreditation to get the Hospital on the path for the second and third visits to achieve the ISO Certification. This accreditation will elevate quality at the hospital, as well as build infrastructure with processes that outlive turnover. The District gravitated towards DNV as the better model because they are focused on coaching and building up an organization.	

QAPI and Patient Safety Areas of Focus- 1Q2020 (Degoma)	Interim Quality Manager Degoma highlighted the following on first quarter performance metrics: - The District is transitioning its strategy from an opt in to an opt out focus on patient experience surveys. The District already has small numbers, so by switching the focus hopefully participation will increase. - Second quarter numbers are preliminary and have not been finalized. Once numbers are in, Administration reviews to identify any patterns or trends, so we can review the circumstances and improve as appropriate. - Complaints were addressed in the required time. Commissioner McMahan thanked the Committee for all the information provided in today's meeting and is proposing we increase the frequency of this meeting. With the increased focus on quality, the accreditation and new committee members, having every other month might be beneficial.	Action Item-Commissioner McMahan will connect with Board Chair Frady to add frequency of meetings to the Regular Board Meeting Agenda on July 29, 2020.
- Post COVID Sustainability of Custodial Program (Williamson) - To propose discontinuing the custodial care program.	CNO/CQO Williamson highlighted the following on the sustainability of the custodial program: - The Hospital is experiencing clinical operational challenges with this small and fragile population. - The staff and patients are at known risk. - The patients are isolated, and their quality of life has been severely compromised. - We are staffed for these patients; the bigger concern is the staff crossing populations. - Positive COVID tests have increased. - Given our bed licensing, the District is meeting regulatory expectations; however, licensing regulations do not address COVID pandemic dynamics and as such, the question remains as to what is it the thing to do for custodial residents from a quality of care perspective. Commissioners McMahan and Schumaker agree these patients are at risk and will take this topic to the Board Meeting for further discussion to integrate with the Financial implications of discontinuing this program.	Action Item-Commissioner McMahan will connect with Board Chair Frady to add Post COVID Sustainability of Custodial Program to the Regular Board Meeting Agenda on July 29, 2020.
Adjournment	CNO/CQO Williamson made a motion to adjourn at 8:47 a.m. and Commissioner Schumaker seconded. The motion passed unanimously.	



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
Finance Committee Meeting
July 22, 2020 at 3:00 p.m.
Conference Room 1 & Via Zoom

AGENDA	DISCUSSION	ACTION
Call to Order	Secretary Herrin called the meeting to order via Zoom at 3:03 p.m. Commissioner(s) Present via Zoom: ☒ Tom Herrin, Secretary ☒ Craig Coppock, Commissioner Committee Member(s) Present in Person or via Zoom: ☒ Shana Garcia, Executive Assistant ☒ Richard Boggess, CFO via Zoom ☒ Leianne Everett, Superintendent ☒ Marc Fisher, Community Member ☒ Clint Scogin, Controller ☒ Sara Williamson, CNO/CQO	
Approval or Amendment of Agenda	The Committee did not have any amendments of the agenda and approved it as is.	
Conflicts of Interest	The Committee noted no conflicts of interest.	
Consent Agenda • Review of Finance Minutes –June 29, 2020 • Revenue Cycle Update • Board Oversight Activities • Cost Report Update • Financial Statements		Secretary Herrin made a motion to approve the consent agenda and Commissioner Schumaker seconded. The motion passed unanimously.
Old Business • Financial Department Spotlight-Emergency Department (ED)	CFO Boggess highlighted historical service trends in the emergency department across a 5-year time period. Metrics included registrations, total cost, hours per unit of service and productive hours per day. Also review the ER physician service cost and production in the periods. Most metrics where in a	

	relevant range and made sense when correlated to outside factors.	
• June Capital Update	CFO Boggess noted the following on Capital Planning projects were underway: 1. Renovating the Billing Office in Mossyrock. 2. Updating Morton Clinic. 3. Updating flooring in Clinics. 4. Updating IT Network. 5. Updating CT & Xray Equipment and that project will begin in the next ten days. 6. Generators and HVAC Project progress will be reviewed at the Special Board Meeting this Friday, July 24th at 7 am via Zoom.	
• Disaster Funding Update	CFO Boggess reviewed the Disaster Funding schedule. In August we will begin the process of applying for forgiveness on the PPP loan. Noridian will begin withholding payments to pay back the Advance Payments provided earlier in the Quarter.	
New Business • Health Insurance Review	CFO Boggess highlighted the following on the Q2 2020 Health Insurance: 1. The total claims costs increased by 46% year over year. The growth is being experienced in the medical claim area. 2. Prescription costs are twice that experienced last year. 3. Administrative costs remain consistent with last year. 4. Utilization statistics exceed national averages by 20%. 5. The District has five claims that exceed \$40,000 in cost. Stop Loss is triggered at \$80,000 and there are two claims exceeding that amount. 6. The District funds claim costs at the Expected Level of cost. Claim costs are exceeding expect cost and have reach the “attachment point” for Stop Loss Year to Date calculation. The District will need to increase the expenses for the difference between expected costs and the attachment point. In addition, the District will need to cover the IBNR amount for year end. The increase will be \$47,859 per month.	

• Accountable Care Organization (ACO) Discussion w/Physicians of SW WA (PSW)	CFO Boggess highlighted the following regarding the ACO presentation: 1. Physicians of SW WA requested to partner with the Hospital, as preliminary metrics are favorable. 2. ACO's work in partnership with Medicare, hospitals and physicians to reduce costs to Medicare by allowing the partners to share in the savings. 3. This program is a downside risk program meaning that AH could lose its investment if performance to not meet expectation. 4. Selection process is in progress and if PSW contracts with us then we will need a resolution to engage. 5. There are 2 levels of engagement 20% risk requires an investment of \$22,000 and 50% risk requires and investment of \$55,000. These are estimated amounts at this point and could change based on the composition of the final group. The Finance Committee agreed to support this initiative and have further discussion with the entire Board.	Action Item- Superintendent Everett will request that Board Chair Frady add this to the Board Agenda for further discussion and will propose approval of a resolution to engage if a contract is presented by PSW.
Adjournment	Commissioner Coppock made a motion to adjourn at 4:03 pm and Community Member Fisher seconded. The motion passed unanimously.	



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
SPECIAL BOARD OF COMMISSIONERS' MEETING**

June 25, 2020 at 3 p.m.

ZOOM

<https://myarborhealth.zoom.us/j/92201390254>

One tap mobile: +12532158782,,92201390254# US

Dial by your location: +1 253 215 8782 US

Meeting ID: 922 0139 0254

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA	DISCUSSION/CONCLUSION	RECOMMENDATIONS/ ACTION/FOLLOW-UP
Call to Order	Board Chair Frady called the meeting via Zoom to order at 3:00 p.m. Commissioners present: ☒ Trish Frady, Board Chair ☒ Tom Herrin, Secretary ☒ Craig Coppock ☒ Wes McMahan ☒ Chris Schumaker Others present: ☒ Leianne Everett, Superintendent ☒ Shana Garcia, Executive Assistant ☒ Richard Boggess, CFO ☒ Roy Anderson, Compliance Officer ☒ Jeff Robbins, Maintenance Manager ☒ Mark Gdule (McKinstry) ☒ Kurt Moyer (Pacific Tech) ☒ Jenny Knudsen (Rognlin's Inc.) ☒ Slate Miller (Pacific Tech) ☒ June Merchur (Wood Harbinger) ☒ Calvin Miller (Pacific Tech) ☒ Buddy Rose, Reporter ☒ Nancy Brown (Wood Harbinger)	
Reading of the Notice of the Special Meeting	Board Chair Frady read the special board meeting notice.	



	Board Chair Frady noted the chat function was disabled and the meeting was not recorded.	
New Business • Read Timely Filed Bids • Announce Apparent Low Bidder • Announce Date that Contract will be Awarded	CFO Boggess stated the Board received three timely submitted bids today by noon from McKinstry, Pacific Tech Construction and Rognlin's, Inc. CFO Boggess opened the three bids and noted: 1. McKinstry's total bid-\$2,658,900. 2. Pacific Tech Construction's total bid-\$2,680,000. 3. Rognlin's, Inc.'s total bid-\$2,115,000. CFO Boggess announced the apparent low bidder is Rognlin's, Inc. Superintendent Everett announced the date the contract will be awarded will be on July 9th, 2020 at 3 PM during a Special Board Meeting.	
Adjournment	Commissioner Coppock moved and Commissioner McMahan seconded to adjourned at 3:10 p.m. The motion passed unanimously.	

Respectfully submitted,

Tom Herrin, Board Secretary

Date



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
SPECIAL BOARD OF COMMISSIONERS' MEETING**

July 2, 2020 at 3 p.m.

ZOOM

<https://myarborhealth.zoom.us/j/91761161705>

One tap mobile: +12532158782,,91761161705#

Dial by your location: +1 253 215 8782

Meeting ID: 917 6116 1705

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA	DISCUSSION/CONCLUSION	RECOMMENDATIONS/ ACTION/FOLLOW-UP
Call to Order	Board Chair Frady called the meeting via Zoom to order at 3:02 p.m. Commissioners present: ☒ Trish Frady, Board Chair ☒ Tom Herrin, Secretary ☒ Craig Coppock ☒ Wes McMahan ☒ Chris Schumaker Others present: ☒ Leianne Everett, Superintendent ☒ Shana Garcia, Executive Assistant ☒ Richard Boggess, CFO ☒ Roy Anderson, Compliance Officer ☒ Jeff Robbins, Maintenance Manager ☒ Buddy Rose, Reporter	
Reading of the Notice of the Special Meeting	Board Chair Frady read the special board meeting notice. Board Chair Frady noted the chat function was disabled and the meeting was not recorded.	
Executive Session • <i>RCW 42.30.110(1)(d)</i>	Executive Session began at 3:05 pm for 55 minutes to discuss negotiations on the performance of a publicly bid contract (<i>RCW 42.30.110(1)(d)</i>). At 4:00 p.m. Board Chair Frady extended ten minutes.	



	The Board returned to open session at 4:10 p.m. No decisions were made in Executive Session.	
Adjournment	Secretary Herrin moved and Commissioner Schumaker seconded to adjourned at 4:11 p.m. The motion passed unanimously.	

Respectfully submitted,

Tom Herrin, Board Secretary

Date

DRAFT



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
SPECIAL BOARD OF COMMISSIONERS' MEETING**

July 9, 2020 at 3 p.m.

ZOOM

<https://myarborhealth.zoom.us/j/99668855044>

One tap mobile: +12532158782,,99668855044#

Dial by your location: +1 253 215 8782

Meeting ID: 996 6885 5044

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA	DISCUSSION/CONCLUSION	RECOMMENDATIONS/ ACTION/FOLLOW-UP
Call to Order	Board Chair Frady called the meeting via Zoom to order at 3:00 p.m. Commissioners present: ☒ Trish Frady, Board Chair ☒ Tom Herrin, Secretary ☒ Craig Coppock ☒ Wes McMahan ☒ Chris Schumaker Others present: ☒ Leianne Everett, Superintendent ☒ Michelle Matchett, Administrative Assistant ☒ Richard Boggess, CFO ☒ Roy Anderson, Compliance Officer ☒ Jeff Robbins, Maintenance Manager ☒ Buddy Rose, Reporter ☒ Mark Gdula – McKinstry	
Reading of the Notice of the Special Meeting	Board Chair Frady read the special board meeting notice. Board Chair Frady noted the chat function was disabled and the meeting was not recorded.	
Executive Session • <i>RCW 42.30.110(1)(d)</i>	Executive Session began at 3:04 pm for 30 minutes to discuss negotiations on the performance of a publicly bid contract (<i>RCW 42.30.110(1)(d)</i>).	



	At 3:28 p.m. Board Chair Frady extended for ten minutes. At 3:38 p.m. Board Chair Frady extended for five minutes. The Board returned to open session at 3:43 p.m. No decisions were made in Executive Session.	
New Business Resolution 20-25- Approving the Base Bid Plus Allowance from Contractor for the Generator/OR HVAC Project & Authorizing the Superintendent to Execute a Contract (<i>Action</i>)		
Action		Commissioner McMahan made a motion to award the bid to McKinstry and Secretary Herrin seconded. The motion passed unanimously.
Adjournment	Board Chair Frady moved and Commissioner Coppock seconded to adjourn at 3:50 p.m. The motion passed unanimously.	

Respectfully submitted,

Tom Herrin, Board Secretary

Date



**LEWIS COUNTY HOSPITAL DISTRICT NO. 1
SPECIAL BOARD OF COMMISSIONERS' MEETING**

July 24, 2020 at 7 a.m.

ZOOM

<https://myarborhealth.zoom.us/j/99668855044>

One tap mobile: +12532158782,,99668855044#

Dial by your location: +1 253 215 8782

Meeting ID: 996 6885 5044

Mission Statement

To foster trust and nurture a healthy community.

Vision Statement

To provide accessible, quality healthcare.

AGENDA	DISCUSSION/CONCLUSION	RECOMMENDATIONS/ ACTION/FOLLOW-UP
Call to Order	Board Chair Frady called the meeting via Zoom to order at 7:02 a.m. Commissioners present: ☒ Trish Frady, Board Chair ☒ Tom Herrin, Secretary ☒ Craig Coppock ☒ Wes McMahan ☒ Chris Schumaker Others present: ☒ Leianne Everett, Superintendent ☒ Shana Garcia, Executive Assistant ☒ Richard Boggess, CFO ☒ Roy Anderson, Compliance Officer ☒ Wayne Hagen, Attorney, Roglin's Inc ☒ Brad Berg, Foster Garvey PC, District Attorney ☒ Jenny Knutson, Roglin's Inc.	
Reading of the Notice of the Special Meeting	Board Chair Frady read the special board meeting notice. Board Chair Frady noted the chat function was disabled and the meeting was not recorded.	
Executive Session • <i>RCW 42.30.110(1)(i)</i>	Executive Session began at 7:07 am for 38 minutes to discuss with legal counsel representing the District the legal risks of a proposed action of the District.	



	The Board returned to open session at 7:45 a.m. No decisions were made in Executive Session.	
Action	Commissioner Coppock made a motion to approve Resolution 20-26 and requested Superintendent Everett reference the details of the Resolution. Superintendent Everett noted the District is rejecting all bids submitted in response to the District's invitation for bids with respect to its emergency generator replacement and operating room heat pump addition project and authorizing the Superintendent to prepare and distribute a new bid invitation for the project; repealing Resolution No. 20-25.	Commissioner Coppock made a motion to approve Resolution 20-26 and Commissioner McMahan seconded. The motion passed unanimously.
Adjournment	Secretary Herrin moved and Commissioner Coppock seconded to adjourn at 7:50 a.m. The motion passed unanimously.	

Respectfully submitted,

Tom Herrin, Board Secretary

Date

WARRANT & EFT LISTING NO. 2020-06

RECORD OF CLAIMS ALLOWED BY THE
BOARD OF LEWIS COUNTY
COMMISSIONERS

The following vouchers have been audited,
charged to the proper account, and are within the
budget appropriation.

CERTIFICATION

I, the undersigned, do hereby certify, under
penalty of perjury, that the materials have been
furnished, as described herein, and that the claim
is a just, due and unpaid obligation against
LEWIS COUNTY HOSPITAL DISTRICT NO. 1
and that I am authorized to authenticate and
certify said claim.

Signed:

Richard Boggess, CFO

We, the undersigned Lewis County Hospital
District No. 1 Commissioners, do hereby certify
that the merchandise or services hereinafter
specified has been received and that total
Warrants and EFT's are approved for payment
in the amount of

\$3,232,297.84 this 29th day

of July 2020

Board Chair, Trish Frady

Commissioner, Shelly Fritz

Secretary, Tom Herrin

Commissioner, Wes McMahan

Commissioner, Chris Schumaker

SEE WARRANT & EFT REGISTER in the amount of \$3,232,297.84 dated *June 1, 2020 – June 30, 2020*.

Routine A/P Runs

Warrant No.	Date	Amount	Description
117504 - 117506	6/1/2020	37,400.07	CHECK RUN
117509 - 117515	6/5/2020	165,891.19	CHECK RUN
117516 - 117584	6/8/2020	255,014.21	CHECK RUN
117585 - 117587	6/8/2020	810.84	CHECK RUN
117588 - 117589	6/10/2020	559,818.93	CHECK RUN
117590 - 117631	6/11/2020	73,091.58	CHECK RUN
117632	6/4/2020	3,303.94	TIAA
117633	6/5/2020	212.04	PITNEY BOWES
117634	6/8/2020	2,597.48	US BANK
117635 - 117644	6/18/2020	150,371.01	CHECK RUN
117645	6/18/2020	549,683.31	CHECK RUN
117646 - 117732	6/17/2020	202,214.47	CHECK RUN
117733 - 117735	6/17/2020	2,053.65	CHECK RUN
117736 - 117737	6/17/2020	3,080.45	CHECK RUN
117738 - 117739	6/23/2020	6,383.98	CHECK RUN
117740 - 117789	6/26/2020	101,998.76	CHECK RUN
117892	6/15/2020	9,396.18	CARDMEMBER
117893	6/8/2020	846.51	CENTURYLINK
117894	6/26/2020	12,800.65	DEPT OF REV
117895	6/29/2020	691.93	US BANK
117896	6/30/2020	980.98	US BANK
Total - Check Runs		\$ 2,138,642.16	

Error Corrections - in Check Register Order

Warrant No.	DATE VOIDED	Amount	Description
TOTAL - VOIDED CHECKS		\$ -	

*COLUMBIA BANK CHECKS, EFT'S & VOIDS***\$ 2,138,642.16**

Eft	Date	Amount	Description
1051	6/2/2020	62.79	MCKESSON
1052	6/9/2020	77.67	MCKESSON
1053	6/16/2020	41.83	MCKESSON
1118	6/12/2020	549,683.31	PAYROLL & TAXES
1054	6/23/2020	328.48	MCKESSON
1055	6/30/2020	155.17	MCKESSON
1119	6/26/2020	543,306.43	PAYROLL & TAXES
TOTAL EFTS AT SECURITY STATE BANK		\$ 1,093,655.68	

*TOTAL CHECKS AND EFT'S IN MULTIVIEW***\$ 3,232,297.84**



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION APPROVING THE CAPITAL
SALE OF PROPERTY 54307 MOUNTAIN
HIGHWAY EAST, ELBE, WA 98330

RESOLUTION NO. 20-27

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,
NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

Approving the sale of the single-family home located at 54307 Mountain Highway East, Elbe, WA 98330. The sale price of the property is \$XXX,XXX.

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 29th day of July 2020, the following commissioners being present and voting in favor of this resolution.

Trish Frady, Board Chair

Tom Herrin, Secretary

Craig Coppock, Commissioner

Wes McMahan, Commissioner

Chris Schumaker, Commissioner



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION APPROVING THE CAPITAL
PURCHASE OF PROPERTY 121 COLLAR
AVENUE, MORTON, WA 98356

RESOLUTION NO. 20-28

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,
NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

Approving the purchase of the multi-family rental property located at 121 Collar Avenue, Morton, WA 98356. The purchase price of the property is \$XXX,XXX plus closing costs.

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 29th day of July 2020, the following commissioners being present and voting in favor of this resolution.

Trish Frady, Board Chair

Tom Herrin, Secretary

Craig Coppock, Commissioner

Wes McMahan, Commissioner

Chris Schumaker, Commissioner



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION DECLARING TO
SURPLUS OR DISPOSE OF CERTAIN PROPERTY

RESOLUTION NO. 20-29

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

That the equipment and supplies listed on Exhibit A, attached hereto and by this reference incorporated herein, are hereby determined to be no longer required for hospital purposes. The Administrator is hereby authorized to surplus, dispose and/or trade in of said property upon such terms and conditions as are in the best interest of the District.

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 29th day of July 2020, the following commissioners being present and voting in favor of this resolution.

Trish Frady, Board Chair

Tom Herrin, Secretary

Craig Coppock, Commissioner

Wes McMahan, Commissioner

Chris Schumaker, Commissioner

	Approved Documents Pending Board Ratification 07.29.20	Department
	Arbor Health's Policies, Procedures & Contracts	
1	Arbor Health Foundation	Business Associate Agreements
2	Collective Medical Technologies-BAA	Business Associate Agreements
3	Charity Care/Financial Assistance	Business Office
4	Columbia Security Service & Systems Inc. COI	Certificate of Liability Insurance
5	CCH Incorporated, Wolters Kluwer Co- ComplyTrack	Contracted Services
6	CCH Incorporated-Amendment 1 ComplyTrack	Contracted Services
7	Press Ganey Associates, Inc	Contracted Services
8	DOH SHIP Grant	D.O.H. Contracts
9	Document	Department
10	Care of the Newborn Patient	Emergency Services
11	Care of the Postpartum Patient	Emergency Services
12	Discharging Patients From the ED	Emergency Services
13	EMERGENCY DEPARTMENT INFORMATION EXCHANGE	Emergency Services
14	Poison Control Information	Emergency Services
15	Suture Removal	Emergency Services
16	Trauma Audit	Emergency Services
17	Dr. Anthony Fritz	Employment Agreements
18	Dr. Mark Hansen	Employment Agreements
19	Dr. Tom Anderson, M.D.	Employment Agreements
20	Kay Brooks, PA-C	Employment Agreements
21	Shanna Angel, Anesthesia Director compensation	Employment Agreements
22	Shanna Angel, CRNA-Additional HRs Rate	Employment Agreements
23	3M Company Equipment Placement	Equipment Service Agreements
24	Steris	Equipment Service Agreements
25	Annual Adoption of the Quality Program Plan	Governing Body (Board of Commissioners)
26	Code of Ethics	Governing Body (Board of Commissioners)
27	Commissioner Compensation for Meetings and Other Services	Governing Body (Board of Commissioners)
28	Employment Of Relatives	Human Resources
29	Job Descriptions/Performance Evaluations	Human Resources
30	Name Badges	Human Resources
31	Payday	Human Resources

32	Promotion/Demotion	Human Resources
33	Staffing/Employment	Human Resources
34	CenturyLink Communications, LLC Agreement & ShoreTel PO	Information Technology
35	CopyTronix Sales Agreement	Information Technology
36	US Bank Equipment Lease-Xerox	Information Technology
37	Collective Medical Technologies Healthcare Data Exchange MOU	Information Technology Services Agreement
38	MindsEye Tech	Information Technology Services Agreement
39	Cigna HealthCare	Manage Care Contracts
40	WSHA PNWPop Program DUA/BA	Mutual Data Use Agreements
41	Dispensing Of Class II, III, And IV Medications	Pharmacy (Medication Management)
42	Narcotic Count Discrepancies	Pharmacy (Medication Management)
43	Nitroglycerin Drip Protocol	Pharmacy (Medication Management)
44	Patient Information Essentials for Medication Dispensing and Administration-Telepharmacy	Pharmacy (Medication Management)
45	Remote Order Entry/Verification Services-Telepharmacy	Pharmacy (Medication Management)
46	Renal Dosing Protocol	Pharmacy (Medication Management)
47	Therapeutic Interchange Protocol	Pharmacy (Medication Management)
48	Warfarin Dosing Protocol	Pharmacy (Medication Management)
49	Wasting of Controlled Substances	Pharmacy (Medication Management)
50	American Medical Response	Professional Services Agreement
51	Assured Home Health,Hospice,Home Care	Professional Services Agreement
52	Clinic Works Consulting LLC	Professional Services Agreement
53	Clinic Works Consulting, LLC Addendum	Professional Services Agreement
54	Goldfish Locum Tenens Service Agreement	Professional Services Agreement
55	Providence Medical Group EKG	Professional Services Agreement
56	Providence St Peter Professional Service Agreement MUSE ECG Data	Professional Services Agreement
57	Radiologist Availability	Radiology/Medical Imaging
58	Use of Imaging Services Equipment	Radiology/Medical Imaging
59	Harborview Interfacility Transfer Agreement	Transfer Agreement
60	MultiCare Transfer Agreement	Transfer Agreement
In order to access the above documents you will need to log into Lucidoc. Once you have logged into Lucidoc, on the top toolbar click "My Meetings" and select the upcoming board meeting date that's highlighted in green to see the agenda with documents needing to be ratified. You are able to view the documents once in the agenda. If the date is highlighted in yellow that means the agenda has not been released yet.		

OLD BUSINESS

NEW BUSINESS

To: Board of Commissioners
From: Leianne Everett, Superintendent
Date: 7/23/2020
Subject: Board & Committee Meeting Dates & Times

Regular Board of Commissioner meetings currently occur on the last Wednesday of each month, starting at 3:00 pm. Exceptions may occur due to holidays, budget, or conferences. Below is a list of the remaining 2020 Regular Board of Commissioner meetings:

- Wednesday, August 26, 2020, 3:00 pm
- Wednesday, September 30, 2020, 3:00 pm
- Wednesday, November 11, 2020, 3:00 pm
- Wednesday, December 16, 2020, 3:00 pm

Finance Committee meetings are held monthly, on Wednesdays at noon. Below is a list of the remaining 2020 Finance Committee meetings:

- Wednesday, August 19, 2020, 12:00 pm
- Wednesday, September 23, 2020, 12:00 pm
- Wednesday, October 21, 2020, 12:00 pm
- Wednesday, November 18, 2020, 12:00 pm
- Wednesday, December 16, 2020, 12:00 pm

Quality Improvement Oversight (QIO) Committee meetings are currently held quarterly, on Wednesdays at 7:00 am. This meeting is held at 7:00 am to allow for physician participation. Below is a list of the remaining 2020 QIO Committee meetings:

- Wednesday, September 9, 2020, 12:00 pm *(needs to be rescheduled)*
- Wednesday, December 2, 2020, 12:00 pm *(needs to be rescheduled)*

Compliance Committee meetings occur quarterly on Wednesdays at noon. Below is a list of the remaining 2020 Compliance Committee meetings:

- Wednesday, September 16, 2020, 12:00 pm
- Wednesday, November 18, 2020, 12:00 pm *(needs to be rescheduled)*



Hospital Foundation Committee meetings occur on the second Tuesday of each month at noon, with quarterly evening meetings. Below is a list of the remaining 2020 Hospital Foundation meetings:

- Tuesday, August 11, 2020, 12:00 pm
- Tuesday, September 8, 2020, 5:30 pm
- Tuesday, October 13, 2020, 12:00 pm
- Tuesday, November 10, 2020, 12:00 pm
- Tuesday, December 8, 2020, 5:30 pm

Plant Planning Committee is an ad hoc committee. We have preemptively scheduled some meetings in 2020. However, new meetings are likely to be needed as the need arises and the preemptively scheduled meetings are subject to cancellation due to lack of need. Below is a list of the remaining 2020 Plant Planning Committee meetings:

- Wednesday, October 14, 2020, 12:00 pm

Please remember that all committees (excluding Regular Board of Commissioner meetings) have a 30-block of time reserved before the committee meeting begins. This time was reserved to provide you access to the committee leader for questions or pose any concerns before the committee meeting starts. This was done to allow you the opportunity to conduct committee business during the allotted committee time. Questions and concerns may cause a delay in the agenda timeline that may not allow for all business to be conducted as planned. The 30-minute prep times and committee meetings are located on your District Outlook calendar.



MEMORANDUM

To: Board of Commissioners
From: Richard Boggess, CFO
CC:
Date: July 22, 2020
Re: PSW ACO Discussion

Arbor Health, through its relationship with the Washington Rural Health Collaborative (WRHC), has been invited to be considered to participate in an Accountable Care Organization (ACO) lead by Physicians of SW Washington (PSW) in its partnership with Columbia Capital Medical Center. The name of the group is NW Momentum Health Partners and it is considered a Next Generation ACO by Medicare.

What is an Accountable Care Organization? It is an initiative developed by Medicare to move organizations down a path of reducing cost to the Medicare program. Typically, it is a group of doctors, hospitals and/or other health care organizations that partner together with a goal of improving the care provided to patients while lowering the cost of that care. If this organization is successful in reducing the cost of care to Medicare below historical experiences, this difference is called shared savings. Medicare then shares this “savings” with the partnering members. The program revolves around identifying a group of patients that have a particular trait in common – in this case that trait is traditional Medicare insurance program-- and live in a general location around the providers. Medicare Advantage insurance companies are developing similar programs as well. The organizations in these programs can participate in several different ways and to differing levels of risk and rewards. Some programs will pay providers on a case basis to provide further documentation about the patient health – no risk. Other programs could allow a provider to “risk” future incomes or incur future losses depending upon the accomplishments and savings generated in the program. This is defined as “upside risk” and “downside risk.” Downside risk would mean that the organization would have to pay money into the ACO to cover unexpected losses due to poor performance by the ACO – program costs Medicare more than expected. If the program does save Medicare money, the member organization share in that savings as determined by the rules – this is Upside Risk. Members could take varying amounts of risk.

The Partnership Opportunity is defined by PSW as medium risk opportunity with both upside and downside risk. Arbor Health (AH), through WRHC, can be involved in the program at either a 20% or 50% risk sharing model. At this point PSW is indicating that each WRHC member should participate at the same model level. Each model requires an investment to provide seed money for the program to flourish each year. The 20% model requires an investment of approximately

\$22,000 while the 50% model requires an investment of approximately \$55,000. These amounts are dependent upon the final composition of the partners chosen by PSW and members of the WRHC that desire to participate, if chosen. PSW has developed a model of expected outcomes based on their experience which has been favorable to date. The 20% model shows a return of \$34,000 or 50% and the 50% model return is \$86,000 or 56%. The percentage amount is net of investment dollars. Of course – past experience is not a guarantee of future performance.

PSW has identified around 6,500 individuals/lives in the AH area that would be eligible for this program. However, only around 700 in the last year would be assigned to AH. In reviewing AH's patient population for the last 5 years, PSW looked at 7 data points that could provide opportunities to improve care management and improve patient outcomes and thereby reduce Medicare's cost. PSW has identified that ED utilization is one point of care that could be improved versus market performance. AH should look for ways to expand its ability to manage more lives.

Points to consider

- 1) The amount of lives (700) available to AH is 11% of the total lives in the market (6,500) and is a small amount when considering ACOs look for groups of 10,000 or greater. This is due to the investment required to manage the lives as is being done by PSW in recruiting WRHC members to join the group.
- 2) While the clinical factors reviewed vary in outcome each year, AH is performing at or above the expectation/average in all areas except ED utilization. While that is good, it also is an indication that the easy opportunities to improve care may not exist. The 5-year average Risk Score assigned to the AH patients is .88. The expected Risk Score assigned to normal patients is 1.00. This would indicate that AH patients are healthier than the average Medicare patient.
- 3) The investment amount in either scenario is less than the cost of a fully qualified Care Manager that AH has been looking to hire to improve its clinical outcomes. Utilizing this program would allow AH to have access to PSW's care management program to help in coordinating care across the health continuum for residents of the market area. One shortfall of this approach is that PSW will only have patients in its program that are assigned in this ACO. Other care management programs such as UHC CP-PCPi and Amerigroup tri-hospital arrangement would not have these insights.
- 4) AH is a cost-based entity at the hospital and at the clinic level for Medicare patients. This cost-based approach creates a negative feedback loop in reducing cost of care for patients as AH continues to improve its processes whether that be staffing, patient EMR systems, plant structures, repairs and other cost. Growing clinic volume/panels would help reduce risk by spreading risk across more lives.
- 5) Value based programs are the future of healthcare. The challenge in rural settings is gathering enough lives to make a meaningful impact. ACO programs that limit the

downside risk are crucial to rural organizations succeeding in this environment by spreading risk with other organizations, be that other healthcare groups or re-insurance programs. PSW-like groups can bring that ability to the table.

- 6) Investment in this opportunity at the 50% risk level would require the support of the Board in designating the investment dollars. If invited to participate, AH would need to commit by August 15, 2020. This commitment date is before our August Regular Board of Commissioners meeting, thus, Leadership is looking for Board support at the July 29, 2020 meeting.



LEWIS COUNTY HOSPITAL DISTRICT NO. 1
MORTON, WASHINGTON

RESOLUTION APPROVING TO SUPPORT
CONTRACT WITH ACCOUNTABLE CARE ORGANIZATION
-PHYSICIANS OF SW WA (PSW)

RESOLUTION NO. 20-30

WHEREAS, the Lewis County Hospital District No. 1 owns and operates Arbor Health, a 25-bed Critical Access Hospital located in Morton, Washington, and;

WHEREAS, the Lewis County Hospital District No. 1 feel that this is worthy,

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of Lewis County Hospital District No. 1 as follows:

The partnership opportunity with PSW, an Accountable Care Organization is to reduce healthcare costs while providing quality care to produce healthy outcomes. These goals align with our vision of providing accessible, quality healthcare. This investment is not to exceed \$60,000.

ADOPTED and APPROVED by the Commissioners of Lewis County Hospital District No. 1 in an open public meeting thereof held in compliance with the requirements of the Open Public Meetings Act this 29th day of July 2020, the following commissioners being present and voting in favor of this resolution.

Trish Frady, Board Chair

Tom Herrin, Secretary

Craig Coppock, Commissioner

Wes McMahan, Commissioner

Chris Schumaker, Commissioner



**Lewis County Hospital District No. 1
New Commissioner Orientation Checklist**

New Commissioners should complete this checklist within 60 days of being elected (approximately March 1 of Year 1 of service).

	Take the Oath of Office either: • Up to 10 days prior to the scheduled date of assuming office; • At the last regular meeting of the governing body of the District
	Work with Executive Assistant to: • Obtain Arbor Health Commissioner Manual • Access to Kronos: https://secure.saashr.com/ta/6121010.login?rnd=RNN • Access to Lucidoc: https://www.lucidoc.com/cgi/login.pl? • Access to iProtean: https://iprotean.com/
	Meet with IT to obtain computer and access to MS Outlook
	Complete MRSC course & obtain certificate online: http://mrsc.org/Home/Training.aspx Go to 'On Demand Training' and complete PRA and OPMA training
	Complete PDC filing: https://www.pdc.wa.gov/learn/file-online
	Obtain Association of Washington Public Hospital Districts Legal Manual; review
	Explore website: http://www.awphd.org/
	Explore website: https://www.wsha.org/
	Locate Public Hospital District (PHD) WAC codes: https://app.leg.wa.gov/rcw/default.aspx?cite=70.44
	Schedule tour of hospital and brief meeting with department heads. Department heads should briefly describe: • What their department is responsible for • Total department budget • How many customers they serve monthly • General departmental challenges, successes, strategic goals
	Work with Board Chair: • Obtain committee assignments • Identify a more seasoned Commissioner to buddy with • Identify appropriate iProtean training

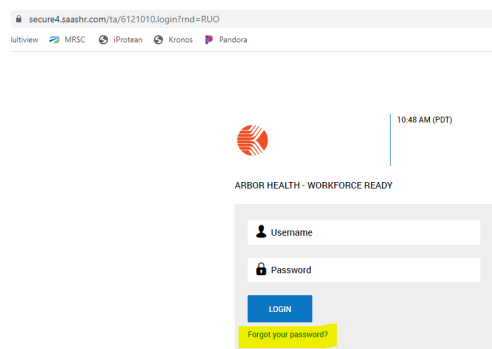
Committees: Finance, Quality Improvement Oversight, Compliance, Plant Planning, Bylaws & Hospital Foundation

MEMORANDUM

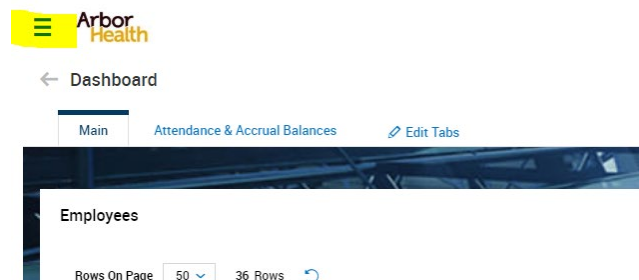
To: Board of Commissioners
From: Shana Garcia
Date: July 24, 2020
Re: Kronos-Timesheets

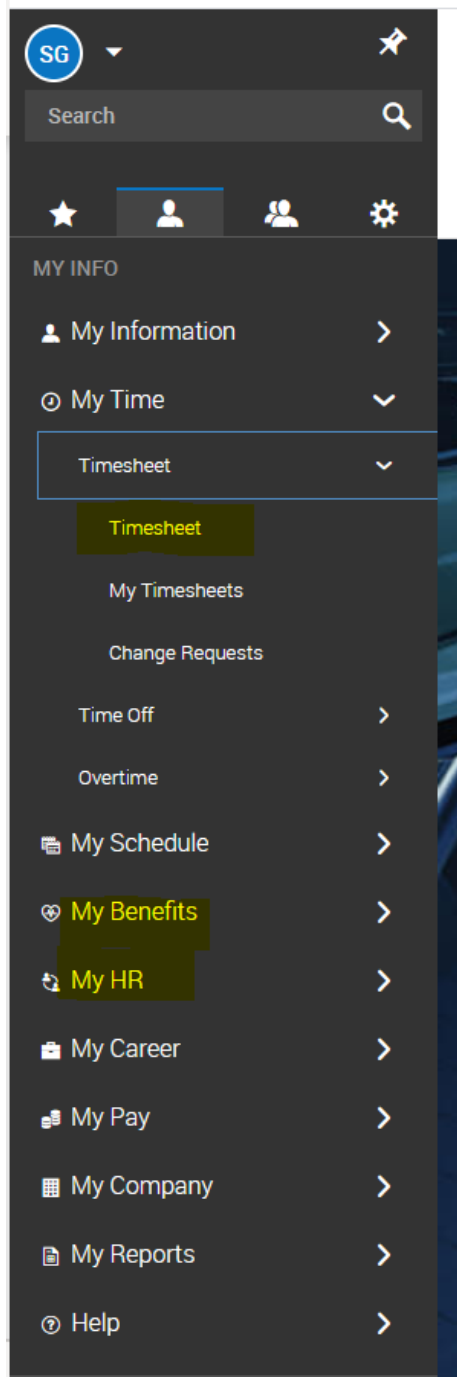
Please find below how to access Kronos:

1. Login to Kronos at <https://secure4.saashr.com/ta/6121010.login?rnd=VFJ> via Chrome.
2. Login username is as follows: fradypa, wesleymcmahan, christopherschumaker, thomasherrin or craigcoppock. There are two ways to reset your password.
 - a. Highlighted in yellow is option one to reset your password from home. If you do it too many times and get locked out, wait 30 minutes to try again.
 - b. Contact HR if the account is locked at 360-496-3580 or email kforrest@myarborhealth.org.



3. Timesheet is located under the sandwich bar:





- Place a one on the date you did district business that is an approved board activity per the policy.

Extra Pay Timesheet Piecework Calc. Detail Calc. Summary Summary By Day

Monday, August 3, 2020 - Sunday, August 16, 2020

Labor Level	Activity	Pay Premium	Cd Prem	Time Off	Shift	Pay Category	Mon 3	Tue 4	Wed 5	Thu 6
x	Board of Dir/Board						1.00			
Raw Total							1.00	0.00	0.00	0.00

1 Add Rows

- Insert a note.

Time Off	Shift	Pay Category	Mon 3	Tue 4	Wed 5
			1.00		
Raw Total			1.00	0.00	0.00

Notes

Special Board Meeting

Clear Cancel Save

- It is best practice to add stipends the day of the meeting, so you do not forget. I do watch your timesheets; however, I encourage my commissioners to do it themselves.

MEMORANDUM

To: Board of Commissioners
From: Shana Garcia
Date: July 24, 2020
Re: Lucidoc-Document Management

Please find below how to access Lucidoc:

1. Login to Lucidoc at <https://www.lucidoc.com/cgi/login.pl> via Internet Explorer.
2. Login username is the first letter of your first name and your last name. Example-tfrady, therrin, ccoppock, wcmahan or cschumaker. There are three ways to reset your password.
 - a. Highlighted in yellow is option one to reset your password from home.
 - b. Contact IT at 360-496-3577 or via email at spiceworks@myarborhealth.org.
 - c. Contact Shana Garcia at 360-496-3537 or via email at sgarcia@myarborhealth.org.

3. Board specific documents are located under Governing Body:

Departments

Lewis County Hospital District No. 1
Compliance
HIPAA Privacy
HIPAA Security
Governing Body (Board of Commissioners)
Board Resolutions
Committees
DOH Policies & Procedures
LCHD No. 1 Administrative Documents
Administration ...

- Board Committee Packets are located under the Manuals Section. All Commissioners have access to all committee packets even if you aren't designated to that committee:

Manuals

Committees

- Board of Commissioners
- Compliance Committee
- Finance Committee
- Medical Staff
- Pharmacy & Therapeutics
- Plant Planning Committee
- Quality Improvement Oversight Committee
- Environment of Care
- Emergency Preparedness
- Life Safety
- Safe Patient Handling
- Safety
- Quality Council
- Employee Health & Education
- Infection Prevention & Control
- Board of Commissioners-Doc Mgmt.
- Clinical Policy Review Committee-Doc Mgmt.
- Medical Staff Policy Review Committee-Doc Mgmt.
- Non-Clinical Policy Review Committee-Doc Mgmt.
- Policy Oversight Committee-Doc Mgmt.

2019 Packets

- [041519 Finance Committee Packet](#)
- [052019 Finance Committee Packet](#)
- [061719 Finance Committee Packet](#)
- [072219 Finance Committee Packet](#)
- [081919 Finance Committee Packet](#)
- [091619 Finance Committee Packet](#)
- [102119 Finance Committee Packet](#)
- [111819 Finance Committee Packet](#)
- [121619 Finance Committee Packet](#)

2020 Packets

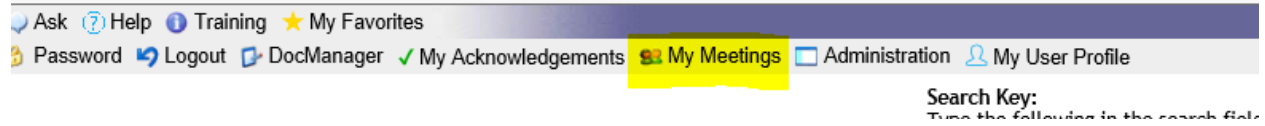
- [012120 Finance Committee Packet](#)
- [021720 Finance Committee Packet](#)
- [042020 Finance Committee Packet](#)
- [051820 Finance Committee Packet](#)
- [062920 Finance Committee Packet](#)
- [072020 Finance Committee Packet](#)

- Board of Commissioners Manual:

MANUALS

- Board Compliance Education
- Board of Commissioner's Manual
- Chemistry EXL Procedures
- Compliance Regulatory Summary
- Critical Access Hospital Evaluations
- Dietary Policies & Procedures
- Employee's Right to Know
- Employee/Occupational Health
- Environment of Care EOC
- Environmental Services Department Procedure
- Guide

- Click My Meetings and then the date of the Board Meeting to have the option to access any of the documents being ratified at the next meeting:

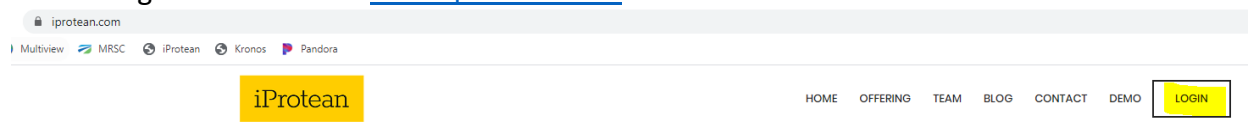


MEMORANDUM

To: Board of Commissioners
From: Shana Garcia
Date: July 21, 2020
Re: iProtean-Governance Education

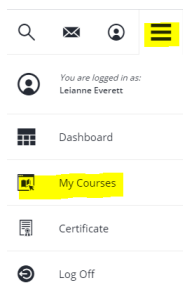
Please find below how to access iProtean:

1. Login to iProtean at www.iprotean.com and click LOGIN.



2. Login username is your email address and your password was emailed to your district email. Note: Check your quarantine@messaging.microsoft.com emails if you are unable to locate in your inbox.

3. Click the sandwich board to access My Courses:



- Click on the yellow markers to expand the courses and select Start on the course you want to review:

The screenshot shows the 'MY COURSES' interface. At the top, there's a list of course categories: Finance Courses (19), Governance Courses (12), Mission & Strategy Courses (23), Quality Courses (11), Symposium Courses (1), and Technology & Innovation Courses (5). Below this, the 'FINANCE COURSES' section is expanded, showing a grid of course cards. Each card includes a title, 'Online Course' status, a star rating, and a 'Start' button. The card for 'Strategic Responses to the Competitive Market, Part One (with advanced certification)' is highlighted with a yellow background and a yellow 'Start' button.

- Course Content is available once you click start to view the videos.

This screenshot shows the course page on iProtean. The course title is 'Strategic Responses to the Competitive Market, Part One (with advanced certification)'. It is an 'Online Course' with a 4.5-star rating. The 'Course Content' tab is active, showing a 'KNOWLEDGE ASSESSMENT (required)' with a 'Start' button. The status is 'Not Started'. On the right, there's a 'Resources' section with a list of links related to the course content.

- Click on Resources to access the transcripts if you would prefer to read.

This screenshot shows the 'Resources' tab for the same course. It lists several resources with 'Open' buttons: 'Competitive Strategies for Markets', 'Diverse Strategies and Niche Disruptors', 'Federal Proposal Helps Essential Hospitals', 'Payments Innovations Driving Divergent Provider Markets', 'Slides', and 'Transcripts'. The 'Transcripts' resource is highlighted with a yellow background. On the right, there's a 'Resources' section with a list of links related to the course content.



COURSE TRANSCRIPT: STRATEGIC RESPONSES TO THE COMPETITIVE MARKET, PART ONE

Expert Presenters:

Daniel Grauman

Michael Irwin

Welcome to the advanced Finance course, Strategic Responses to the Competitive Market, Part One.

In this first of two parts, our experts will cover payment innovations and increasing competition, the continuum of competitive strategies, four competitive models, the risks of being cautious and capital requirements.

DANIEL GRAUMAN IS PRESIDENT AND CEO OF DGA PARTNERS, PROVIDING CONSULTING SERVICES IN STRATEGIC, BUSINESS, FINANCIAL AND FACILITIES PLANNING.

Dan Grauman: This is a really interesting time in healthcare in this country. We are facing unprecedented change with the passage of the health reform law. We also are facing a time of great uncertainty. So hospital executives and hospital boards are trying to figure out what they need to do to position themselves to succeed—survive—in the future. The health reform law is incentivizing and encouraging hospitals and doctors to be responsible and accountable for the health of populations they serve. Most independent hospitals look at that landscape and that proposition and are concerned about what they will have to do differently. And, as a result, they are concerned about their competitive position.

1. PAYMENT INNOVATIONS AND INCREASING COMPETITION

MICHAEL IRWIN, MANAGING DIRECTOR OF CITIGROUP, HAS EXPERIENCE IN ALL ASPECTS OF HOSPITAL AND HEALTH SYSTEM STRATEGIC CAPITAL FINANCING ACTIVITIES, INCLUDING PUBLIC AND PRIVATE DEBT OFFERINGS AND STRATEGIC TRANSACTIONS.

Michael Irwin: As we look at the environment, one of the things we see in this transformation is the ability of new payment arrangements to change and/or accelerate changes in the competitive landscape. Many organizations have been pursuing this transformation agenda aggressively for several years, while others have hoped that it was not going to happen, have operated to preserve the *status quo*. They've done very well in a fee-for-service world and are

not eager to be a catalyst for a change to this brave new world where payments are going to be made for value.

So the opportunity is created for those forward-looking organizations to seize the high ground, to continue to reinvent themselves as health systems looking to keep populations healthy, not simply to treat illness. And if they can get payment arrangements that allow them to make money by keeping people out of the hospital, they will be able to quickly seize the high ground and begin to change consumers' expectations about how good quality health care is going to be delivered outside of a hospital centric model, in an ambulatory care facility, in an urgent care facility, in a physician's office with full diagnostic and treatment capabilities.

They are going to be able to move market share. They will be able to enter into payment arrangements with managed care companies or directly with employers that will incentivize them to deliver on the value proposition in exchange for market share in a market where the market itself is not growing, so it is a zero sum. And any pick up they have is going to come at the expense of their competitors. At the same time, hospitals and health systems have to be aware of the fact that stand-alone physician groups will play an increasingly larger role as we move to care coordination. And so the competitive landscape changes in that regard.

If you are a hospital centric system evolving to a fully integrated healthcare delivery system, you are not only competing with other hospitals and health systems, you are competing with multi-specialty group practices and with the managed care companies that are making their own investments in provider capabilities. These changes in payment arrangements are going to accelerate and intensify the competitive marketplace in which most health systems find themselves.

Dan Grauman: As hard as hospitals and physicians and providers are working to determine what they need to do, position themselves competitively with everything that is happening among hospitals and doctors, health insurers have been spending at least as much effort, if not more, on determining the implications of the health reform law.

The way markets are evolving really is a function of what both the insurers' health plans and the providers are doing. This is very much an iterative process—a back and forth— as they each try to figure out what all of this means and then to develop their own strategies. In part they can be influenced or shaped by what the other is doing.

So if you have a very aggressive health system adopting a forward-thinking accountable care strategy, essentially moving closer and closer to the insurance business, perhaps even setting up its own health plan, a major insurer will look at that very carefully. And it could help that insurer inform and determine its competitive response. Likewise, if you have a marketplace where the insurer really wants to adopt aggressive health exchange strategies, let's say, it probably will ask the hospitals and doctors for even deeper discounts to be part of a limited network or panel that is tied to its particular insurance product.

So, just to sum things up, insurers can have a pretty significant impact in shaping the market. But I would say it's not uni-dimensional. It is very much also a function of where the hospitals, physicians and other providers are in the marketplace as well. And these two forces are both in play and are serving to define exactly how markets unfold and how they will look.

2. CONTINUUM OF COMPETITIVE STRATEGIES

Michael Irwin: As we work with our clients in health systems, we have observed over the last couple of years the evolution of strategies being adopted by those hospitals and health systems that fall into one of four categories. And here I'm talking about competitive strategies to ensure their success.

Low cost provider: The first one is to be the low cost provider, the most efficient healthcare provider in a specific market. If an organization has done a very, very good job of managing its cost, if it has been able to do that while preserving high quality and a solid reputation in the community, and if it has confidence in that strategy, regardless of how quickly the payment arrangements move from fee-for-service to value, then it will be well positioned no matter where it goes, no matter how quickly it moves.

Center of Excellence: On the other hand, there are some, and here I would be thinking largely about the academic medical centers, that pursue a center of excellence strategy. These organizations think that their value and their success has been and will be based on the fact that they do high-end, complex cases that other organizations are incapable of doing. They have gained a regional or maybe national reputation for outstanding value in clinical solutions to those complex cases. They are making the kinds of investments in research and innovation to ensure that they will stay at the top of people's mind if they are confronted with a very, very serious illness. So this is a good strategy for an academic medical center, in particular, but others are choosing that strategy as well.

Market Maker: Moving along the continuum, I think there is a smaller group that sees themselves as market makers. The strategy of these hospitals is going to be different from the others noted above. They see themselves in a well positioned place of having limited competition, of having a great reputation, of having the ability to deliver on the quality side of things without necessarily fiercely competing on the basis of price and, therefore, not having the same urgency to attack the cost structure in their organization, at least for the time being. Without a competitive threat, they are less inclined to make some of the difficult choices that other hospitals and health systems pursuing the other strategies must make.

Fully Integrated Healthcare Delivery System: Finally, a growing strategy is to become a fully integrated healthcare delivery system. One that is capable of moving outside the four walls of the hospital, accepting any number of new payment arrangements and the risks that go with that, being able to demonstrate quality metrics and having the ability to demonstrate full transparency to employers, to patients and to managed care companies about how they

manage their costs. Whether they are going to become an insurer, I think, is still subject to the competencies of that specific organization; for example, where they are in their transformation efforts, their aspirational goals and whether they have other options to get to the same place. But the strategy of moving to being a fully integrated healthcare delivery system, I think, is one that is increasingly attractive to a lot of health systems, in particular, and I think that is where a lot of the activity is going to be in the future.

3. FOUR COMPETITIVE MODELS

Dan Grauman: Because we are going through a time of unprecedented change, the degree to which hospitals and doctors and even commercial health plans are adopting what they need to do differently varies a great deal by local market and by regional markets. On the one hand, we have a dimension of how quickly hospitals and physicians are willing to entertain ACO and bundled payment payment models. So that's one dimension. The other dimension really speaks to how much physicians and hospitals are organized and working together. Together means physicians with physicians, or it could be physicians and hospitals, or even hospital with hospitals; i.e., the degree of integration, the degree of collaboration.

So there are two dimensions: where hospitals and physicians are in any particular market in terms of their willingness to entertain and experiment with new payment models; and their willingness to work with one another. These dimensions essentially define the stage of that market and where it is with respect to preparing and accepting the changes inherent in the health reform law.

Using these two dimensions as a framework, we see four different general models:

Focus, Focus, Focus: Many hospitals are happy to adopt what we call a focus, focus, focus model. These hospitals are sitting on the sidelines in terms of new payment models. But they are doing certain things exceptionally well, like orthopedics care or cardiac care—really nailing that down, really driving the volume of cases in those areas, becoming a focused factory and providing that care in the most high quality, most cost efficient way. They are trying to preserve the traditional fee-for-service model where you get paid per visit, per case, per surgery, for as long as possible, and not be subject to fixed budget kinds of payment mechanisms like you might have with an accountable care organization or even a bundled payment model. So that is one type of response, and one that certainly exists still in many markets throughout the country.

Doctor's Orders: Another response you might see is a physician-led or a physician-sponsored drive in a market to take control of those accountable care organizations and take control of the money flow for the overall health of a population. We call this “doctor's orders” and there are many markets where there are very entrepreneurial and motivated large multi-specialty group practices or IPAs, physician networks, that are sponsors of accountable care organizations, that are working hard to adopt standardized care guidelines and to achieve those

savings Medicare is seeking so they can drive the savings and share in the savings all themselves. Essentially, the hospital is really not a participant in that kind of model. So you have physicians shaping and driving a marketplace.

Big Fish, Small Pond: Another model we see is one where, for whatever historical reasons, hospitals have already amassed a significant presence, they already merged in the last wave in the 90s, and they have significant market share. They are kind of a big fish in a small pond, typically. These organizations are also happy to preserve the *status quo*, prolong a fee-for-service payment kind of model, because they are doing pretty well and there is no compelling reason for them to change. They are trying to accumulate a significant war chest for what will inevitably be the time when they are absolutely forced to change. So they will continue to do what they do for as long as they can. And that's not imprudent, quite frankly, if you enjoy that position in your marketplace.

Supportive of Accountable Care: And finally, there are organizations that, despite the realities of the local marketplace, are just philosophically, absolutely supportive of accountable care. That is how we would define those markets or those strategies. They are typically going to be characterized by hospitals and doctors that for some historic reason have already come together to form a network. The hospitals have been working on collaboration and engagement with the physicians, and they together are embracing accountable care and helping to shape those local marketplaces.

SUMMARY

NEW PAYMENT ARRANGEMENTS CAN ACCELERATE CHANGES IN THE COMPETITIVE LANDSCAPE.

FORWARD-LOOKING ORGANIZATIONS WILL FOCUS ON:

- POPULATION HEALTH
- ADOPTING AND/OR NEGOTIATING NEW PAYMENT ARRANGEMENTS THAT REWARD HEALTH RATHER THAN DISEASE
- EXPANDING CONSUMERS' EXPECTATIONS BEYOND HOSPITAL-CENTRIC CARE
- CAPTURING MARKET SHARE

IN A MARKET, PROVIDERS AND INSURERS REACT TO ONE ANOTHER'S STRATEGIES, THUS INFLUENCING THE SHAPE AND DEGREE OF COMPETITION.

THE CONTINUUM OF COMPETITIVE STRATEGIES INCLUDES:

- LOW-COST PROVIDER: LOW COST, HIGH QUALITY AND WELL POSITIONED;
- CENTER OF EXCELLENCE: A REGIONAL OR NATIONAL REPUTATION FOR COMPLEX CASES
- MARKET MAKER: LIMITED COMPETITION; AND
- THE FULLY INTEGRATED DELIVERY SYSTEM, WITH EXPANDED SERVICE SETTINGS, MULTIPLE PAYMENT ARRANGEMENTS, ASSUMES RISK, TRANSPARENCY, MAYBE AN INSURANCE PRODUCT.

THE FOUR COMPETITIVE MODELS ARE:

- FOCUS, FOCUS, FOCUS: COMPETITION FOR VOLUME BASED ON FOCUS, LOW UNIT COSTS, AND QUALITY. WANT TO PRESERVE THE *STATUS QUO*.
- DOCTOR'S ORDERS: IMPROVING QUALITY, REDUCING COST, ADOPTING NEW PAYMENT MODELS. HOSPITAL NOT INVOLVED.
- BIG FISH, SMALL POND: LOCAL MARKET DOMINANCE FOR LEVERAGE WITH PAYERS. ALSO WANT TO PRESERVE THE *STATUS QUO*.
- SUPPORTIVE OF ACCOUNTABLE CARE: PHYSICIANS AND HOSPITAL WORK COLLABORATIVELY, EMBRACE PAYMENT INNOVATIONS AND INSURANCE STRATEGIES THAT IMPROVE QUALITY AND LOWER COST ACROSS A POPULATION.

4. THE RISKS OF BEING CAUTIOUS

Dan Grauman: While some organizations are comfortable to be cautious and sit on the sidelines and watch, there are risks of doing that and they have to be weighed very carefully. The whole area of the relationships with your physicians comes to mind as the most critical area. If you sit and watch, and your competitor or other hospitals are very proactive in cementing relationships with physicians—especially primary care physicians, but perhaps specialists too—you may lose the opportunity to build/maintain those relationships if you wait and you watch. So that is a very critical area that requires a lot of thought and evaluation and a close monitoring of what is unfolding in the local marketplace.

Hospitals have to be very cognizant of the physician-sponsored initiatives in their local markets. I have seen situations where hospitals are busily focusing on their day-to-day operations and they don't even realize that physician networks are forming because they are just not in the conversation. And then before you know it, those physician networks enter into an interesting new contract with the major Blue Cross plan or other major health plan in the market, where the physician group is essentially incented to manage the costs of a particular population. And guess where those costs are the highest? When patients go into hospitals, into emergency rooms, into outpatient services in hospital settings. We know that is expensive. So these physicians now are incented to avoid that whenever it makes sense, obviously, while maintaining good quality care and clinical considerations.

There are also alternative, less costly settings. The physician-owned ambulatory surgery center, if it wants to, is going to always be able to provide what it does at a lower price than the hospital. So now you have the physicians incented to do that through some special arrangement with the Blue Cross. The hospital wakes up one day and says, how come our emergency room visits are down? How come our outpatient services or our endoscopy procedures are down? Well, guess what? The physicians are paying close attention to where equally good care can be provided in a less costly setting and they are directing their patients in whatever appropriate way they can to receive care in those settings. So that can be a disruptor for a hospital that has remained focused on the traditional fee-for-service model and hasn't jumped into the fray in accountable care initiatives or integrating, collaborating more with their

doctors. That can be disruptive to their fundamental traditional business model and their financial flow.

Another risk is that you may forego the opportunity to really begin to build the infrastructure you need to be ready for the management of the health of a population—the care management approaches, the data approaches, the IT requirements, the quality and clinical reporting and outputs and things like that. If you're not in it, you are not really developing the experience and the expertise that you might need. So you lose time, and then you have to play catch up later on, and it may be too late.

Also, there is a risk of just not getting any experience at all at even dabbling with a bundled payment arrangement and working with your management teams at the middle management level and the practicing physicians in your hospital on these new payment models. There is a lot of good conversation and organizational dynamic that happens when you are in it together, trying to figure out how to manage care and cost better, differently, than in the past, all towards trying to achieve some shared savings. If you are not even experimenting with that, you are also potentially falling behind.

Finally, there is always the risk of losing market share. If another player in the market is aggressive and trying to gain the benefits of being the first mover in forming an accountable care organization or pursuing ACO-like payment models with commercial insurers, which some are also experimenting with, they may be amassing the kind of market share that is more important in the future. Historically, we have thought about market share as the share of admissions in the local market; that's the key metric. But in the future, market share may very well be measured by how much of the population we are connected to through our primary care physicians and through insurance products. So it is a different metric, and if others in the marketplace are being more aggressive, throwing their hat in the ring to do an ACO with Medicare, and you're not, you may be well on the path of eroding market share along the lines of the population base for the future. So that is a significant risk that has to be weighed.

All of these relate to gauging developments in the local marketplace very closely and determining what your response ought to be, given what is happening among hospitals, among physicians and among the local payers.

5. CAPITAL REQUIREMENTS

Michael Irwin: In working with our clients, we see the competitive strategies being adopted by each having implications for their capital investments and the funding of those capital investments, and they vary widely from health system to health system. A Citi survey that we do every year of not-for-profit and for-profit hospitals and health systems shows a dramatic slowing in the growth of capital expenditures. And that isn't surprising. If you think about the strategies we're talking about—moving to better coordinated care and trying to deliver higher quality at a lower cost—it isn't surprising that much of the focus is on ways of better using the

capital investments we have made and recognizing the changes in the capital investments that are necessary.

So what do we see now instead of replacement hospitals being at the forefront of capital spending plans? We see the strategic capital plan filled with IT investments, making sure that in addition to having an electronic medical record that functions and allows you to pick up the special reimbursement set up by the Affordable Care Act for that, the backbone of the care integration imperative is a very high functioning IT system to support the clinical and business operations of these large health systems. And we are seeing, obviously, a lot of focus on that. That is high cost but not to the same level that big buildings would suggest.

As a result, we have seen a decline in tax-exempt issuance over the last several years. Where exactly it's going, I think, is subject to some debate, but I would suggest it will not return to historical levels any time soon. I think hospitals are trying to be very, very careful about how they spend their money. I think that they are spending money on physician practice acquisitions, these IT investments and investments in building out their ambulatory network for delivering the right care in the right location at the right cost with high quality. So the strategies clearly have a very important implication for capital budgets and capital funding needs.

The other thing I think that is important to understand is that the competitive landscape is changing. Investors are very much aware of the fact that that change in the competitive landscape has increasingly bifurcated the “haves” and the “have nots.” And those investors are smart enough to see who are going to be the winners and who are going to be challenged, which creates a vicious cycle, if you can imagine being on the “have not” side of that equation. Your competitor is going to be able to have broad access to capital on very attractive terms, as you develop a strategic plan with question marks about whether you have capital access and at what cost. So there are unquestionably very, very serious issues related to your strategic positioning as a healthcare organization and your capital spending ability and funding capability.

SUMMARY

THE RISKS OF MOVING SLOWLY THROUGH THIS TRANSFORMATION MUST BE WEIGHED CAREFULLY. THE RISKS OF WATCHING AND WAITING INCLUDE:

- YOUR COMPETITORS MAY ESTABLISH RELATIONSHIPS WITH PHYSICIANS BEFORE YOU DO
- PHYSICIANS IN YOUR MARKET MAY BE SETTING UP NETWORKS FOR THE PURPOSE OF CONTRACTING WITH INSURERS TO MANAGE THE COSTS OF CARING FOR A POPULATION AND LEAVING THE HOSPITAL OUT OF THE ARRANGEMENT
- DELAYING OR EVEN FOREGOING THE OPPORTUNITY TO BUILD INFRASTRUCTURE FOR POPULATION HEALTH MANAGEMENT
- NOT GETTING EXPERIENCE WITH NEW PAYMENT ARRANGEMENTS
- LOSING MARKET SHARE

THERE HAS BEEN A DRAMATIC SLOWDOWN IN THE GROWTH OF CAPITAL EXPENDITURES.

CAPITAL REQUIREMENTS TODAY FOCUS ON IT, ACQUISITION OF PHYSICIAN PRACTICES AND BUILDING OUT AMBULATORY NETWORKS.

INVESTORS SEE THAT THE COMPETITIVE LANDSCAPE HAS EXACERBATED THE DISCREPANCY BETWEEN THE “HAVES” AND “HAVE NOTS” AND WILL CHOOSE THEIR INVESTMENT ACCORDINGLY.

IN THE SECOND PART OF THIS TWO-PART COURSE, OUR EXPERTS EXPAND UPON SOME OF THE IMPLICATIONS OF CAPITAL REQUIREMENTS, AND ALSO ADDRESS CONSOLIDATION. TOPICS INCLUDE:

- THE COMPETITIVE IMPACT OF M&A ACTIVITY
- THE IMPACT OF CONSOLIDATION ON COMPETITION
- THE NEXT PHASE OF MERGERS AND ACQUISITIONS
- THE IMPACT ON BOND RATINGS
- TAXABLE VERSUS TAX-EXEMPT BONDS

For additional information please go to www.iprotean.com.



COURSE TRANSCRIPT: STRATEGIC RESPONSES TO THE COMPETITIVE MARKET, PART TWO

Expert Presenters:

Daniel Grauman

Michael Irwin

Welcome to the advanced Finance course, Strategic Responses to the Competitive Market, Part Two.

In Part One of this course, our experts looked at payment innovations and increasing competition, the continuum of competitive strategies, four competitive models, the risks of being cautious and capital requirements.

In this course, our experts will cover the competitive impact of M & A activity, the impact of consolidation on competition, the next phase of mergers and acquisitions, the impact on bond ratings and taxable vs. tax-exempt bonds.

1. THE COMPETITIVE IMPACT OF M&A ACTIVITY

MICHAEL IRWIN, MANAGING DIRECTOR OF CITIGROUP, HAS EXPERIENCE IN ALL ASPECTS OF HOSPITAL AND HEALTH SYSTEM STRATEGIC CAPITAL FINANCING ACTIVITIES INCLUDING PUBLIC AND PRIVATE DEBT OFFERINGS AND STRATEGIC TRANSACTIONS.

Michael Irwin: We have certainly observed a dramatic increase in the M & A, or mergers and acquisition, activity since the passage of the Affordable Care Act. What the market dynamics behind the Affordable Care Act have done is put tremendous pressure on the system. The amount of money flowing into healthcare delivery is very, very strained right now and the provider community has been forced to consider ways of preserving operating margin by largely focusing on expense control rather than growing top line revenue, as historically was possible. And in a fee-for-service environment, the more care you provided, the more revenue you had and the bigger the bottom line opportunity was for you.

But that paradigm has clearly shifted as we move from fee-for-service to a value-based payment. Provider organizations have recognized that the work to be done on the expense side of things is enhanced by scale and by integration. As a result, we have seen the "haves" get bigger. We have regional healthcare systems that are expanding their geography and/or expanding the range of services they are providing. They are moving by acquisition or by

building out their ambulatory network. They are interested in having a bigger market share in their current markets and in functioning in more markets.

At the same time, well-intentioned community hospitals are finding it increasingly difficult to meet all of the requirements of this transformation. They have to make a huge investment in healthcare IT that is hard to justify at a standalone hospital level and more easily accomplished through an arrangement with or being part of a larger system. So that leads to consolidation.

At the same time, in the capital market, since the credit crisis and the Great Recession, the ability of not-for-profit healthcare organizations to get financing and the capital they need to make investments has changed dramatically in favor of the larger systems, further accelerating the process to larger and larger, more and more consolidation activities. So, it's not surprising that we continue to see a pickup in M & A activity. I think that M & A activity is likely to continue to be robust in the coming years.

DANIEL GRAUMAN IS PRESIDENT AND CEO OF DGA PARTNERS, PROVIDING CONSULTING SERVICES IN STRATEGIC, BUSINESS, FINANCIAL AND FACILITIES PLANNING.

Dan Grauman: As hospitals sort through their options to remain strong, viable and competitive, they increasingly are concluding that they really need to work together with one another more than ever. Independent hospitals, the stand alone hospitals, are really trying to figure out whether they can go it alone or whether they need to merge or in some way collaborate with other hospitals, all in an effort to have a stronger economic foundation to build a network that will be better prepared to manage the health of a local or a regional population. As is always the case when you have a passage of a new law and the prospect of major transformation, a lot of industry participants, whether executives, CEOs, advisors, consultants, all believe you need to be bigger to survive in the future.

There is a range of different kinds of collaborations. It doesn't just have to be a full governance merger or a sale; it can be another type of joint venture or collaboration or a network where you can still get many of the advantages and the benefits you are seeking to be better prepared to manage the health of a population. So, as we speak, we are seeing these networks emerge.

2. IMPACT OF CONSOLIDATION ON COMPETITION

Michael Irwin: The pickup in mergers and acquisition activity has the tendency to change the dynamics in a marketplace, sometimes more quickly, sometimes more slowly, depending on how many players you have in the marketplace. Another noteworthy factor, obviously, is the antitrust implications of some of the M & A activity that is taking place. My observation is that there are a lot of well intended consolidation activities that are driven solely for the purposes of increasing payer leverage; that is, the ability to extract a more significant payment from the managed care companies. That approach is going to attract more antitrust scrutiny at the state

level as well as the federal level. You would expect managed care companies to lodge their opposition and the problems they see coming from such consolidation activities.

More often than not, however, I think the M & A activity we're seeing is just a natural reaction to those market forces that create a win-win for the community, that will result in a reallocation of resources, a consolidation and rationalization of services. So in the short run, it may appear to lessen the competitive benefits in the marketplace, but I think in the longer run, it will better serve the communities. Rather than having duplicate services, the community will see better coordinated care and more integrated care across multiple locations and facilities.

In some of the cases we have been involved in, the amount of money that can be saved by the organizations coming together could ultimately be transferred back to the payers and, of course, individuals. Individuals are now accountable for up to 25 percent of their own healthcare, and employers have been looking at double digit increases in their healthcare costs. Seeing those increases moderated to mid-single digits becomes a compelling case. Obviously, if you get to the point where you do have a monopoly or an oligopoly in a market, that has the potential for increasing costs. But most of the activities I've seen in the M & A arena are more focused not on increasing leverage, but on increasing the ability of the health system to rationalize the services and deliver higher quality, well coordinated care at a lower cost than historically has been the case.

Dan Grauman: Initially, when one or two participants in a market opt to merge with another player, it clearly increases the amount of competitive activity because the remaining players get very concerned about what the implications are of another particular pair or three hospitals coming together. It clearly stimulates more competitive activity and posturing.

Interestingly enough, after these transactions happen—and let's say you have consolidation in a marketplace where you used to have fifteen hospitals and health systems and now you have five—you actually get a little less competitive than you were before because each of the remaining merged entities gets stronger, they get bigger, they enjoy more clout with outside parties, whether they be payers or vendors. And it's well documented that once consolidation occurs, generally the remaining health systems actually get paid higher prices from commercial payers than they did before the transaction. That's been the historical reality.

What will happen in all likelihood in the future as the health reform law gets implemented, as payment levels and prices probably compress and they all get closer to Medicare, the price differentials won't be that great anymore and the remaining systems will truly need to figure out how to do what they do in the most cost effective and efficient way, and the focus will move towards that. That, in part, is the rationale as to why we're seeing this consolidation, because everyone is focused on what they think the end game is going to be and they want the time to get to that point.

3. NEXT PHASE OF MERGERS & ACQUISITIONS

Michael Irwin: I think we are moving to the next phase of M & A activity: the big getting much, much bigger. And if we look at that on the for-profit side, we see Tenet acquiring Vanguard. Tenet had not been involved in a major growth activity for a number of years. But they are making a very significant multi-billion dollar investment in Vanguard, driven by the ability to quickly move into new markets—I think they listed on their fact sheet seventeen new markets that they'll move into—as well as leverage. Some of the centralized services that Tenet has established can now be spread to a larger base to make the Vanguard operating entity more efficient and to lower their costs through the work of Conifer, the centralized services arm of the Tenet Healthcare System.

In addition to the Tenet transaction, we see Community Health System acquiring HMA, and that is just further evidence that on the for-profit side, the big want to be much bigger, they understand the imperatives and the economic rationale for getting larger and being able to compete coast to coast in much the same way HCA is already functioning. HCA has given every indication that they're not finished growing; they will continue to grow. So that's part of it.

Looking at the not-for-profit side, we see a series of M & A transactions that signal the desire of large not-for-profits to do two things. One is to either grow in their own market or in a single market in which they serve. You can see transactions up in the Pacific Northwest, in California, and in other parts of the country where a strong, well positioned not-for-profit merges with another strong, well positioned not-for-profit to create a formidable new competitor, often competing against big for-profit companies.

On the other side, however, we see a couple of very significant transactions where the goal is geographic expansion, not a single market, but to grow the number of markets that you serve. Examples include Ascension Health's acquisition of Marian Health System, which gives them a very significant presence in Wisconsin, Kansas and Oklahoma, in addition to the many states already served by ministries that are part of Ascension Health. The other one that I think really tells a huge story is the Trinity acquisition or merger with CHE—Catholic Health East. If you look at the legacy markets served by Trinity and those served by CHE, there is virtually no overlap. And so by putting the two together, you create a behemoth of a not-for-profit, operating in complementary markets and creating a very, very powerful new not-for-profit healthcare provider organization well positioned for the environment and the pressure that environment is putting on all provider organizations.

Dan Grauman: As hospitals determine how they can collaborate with one another, they are seeking to gain a competitive advantage so they can be packaged together as part of a health insurance product or choice, or because they are sharing certain capabilities. So if you think about some of the core competencies hospitals will need to establish and perfect as they shift from only providing an inpatient service or an outpatient service to being responsible for the health of a population, you will realize they need to do things they have never done before. They need to figure out how to reach out to those patients that require proactive intervention

in their care so they don't generate unnecessary inpatient and emergency room utilization. They need to be looking at data in a much more sophisticated way; they need to be developing care guidelines and engaging physicians so those guidelines are adopted in their day-to-day practice. All those kinds of initiatives are competencies that your typical hospital does not possess today. So by collaborating with other hospitals, investing dollars and human capital to establish those capabilities, they gain competitive advantage because it's very difficult to do that on your own. It does take a lot of time, a lot of money, and your typical hospital executive team does not have the time, the expertise or the resources to implement those kinds of initiatives successfully.

SUMMARY

AS WE MOVE FROM FEE-FOR-SERVICE TO VALUE-BASED PAYMENTS, INDEPENDENT HOSPITALS MAY BE CHALLENGED TO ADAPT TO THIS TRANSFORMATION.

HEALTH SYSTEMS ARE BETTER POSITIONED TO MAKE THE NEEDED CHANGES BECAUSE:

- CUTTING COSTS MAY BE ENHANCED BY SCALE AND INTEGRATION
- THEY CAN EXPAND THE RANGE OF SERVICES AND THE AMBULATORY NETWORK
- THEY CAN SECURE CAPITAL FOR INVESTMENTS

CONSOLIDATION TENDS TO BE A WIN-WIN FOR THE COMMUNITY. IT RESULTS IN:

- REALLOCATION OF RESOURCES
- RATIONALIZATION OF SERVICES
- ELIMINATION OF DUPLICATION OF SERVICES
- BETTER COORDINATED AND INTEGRATED CARE ACROSS MULTIPLE LOCATIONS
- TRANSFERS SAVINGS BACK TO INDIVIDUALS

CONSOLIDATION DOESN'T NECESSARILY DECREASE COMPETITION IN A MARKET. WITH THIS WAVE OF CONSOLIDATIONS, IT IS ANTICIPATED THAT PRICE DIFFERENCES BETWEEN AND AMONG SYSTEMS WILL NARROW, CAUSING SYSTEMS TO FOCUS ON EFFICIENCY AND EFFECTIVENESS.

NOT-FOR-PROFIT M & A ACTIVITY APPEARS TO BE IN ONE OF TWO DIRECTIONS:

- SINGLE-MARKET GROWTH, OCCURRING WITHIN A MARKET
- MULTIPLE MARKET GROWTH, INVOLVING GEOGRAPHIC EXPANSION

4. IMPACT ON BOND RATINGS

Michael Irwin: As part of the healthcare transformation, the other thing that has been interesting as an investment banker to observe is the role that credit ratings play and how credit ratings change in the middle of the M & A activities that are occurring. There is a preponderance of evidence that as organizations come together, assuming that they're driven by a rational strategic objective, the rating agencies have been very quick to recognize those and recognize those with either an affirmation of the rating of the larger of the systems or, in the coming together in a merger of equals, recognize that maybe even in an upgrade.

However there are other situations people don't think about right away. An example is where a standalone hospital with a strong rating, let's say an A+ rating, joins together with a very strong, well positioned regional healthcare system that has an A rating. Now, the decision to join that healthcare system makes all the sense in the world for the ability to move to value-based payment, for accepting risk, for spreading the cost of IT investments, for achieving economy of scale and a host of other things. But interestingly, on the rating side of it, they are potentially going to be seeing their rating, their historical rating, reduced to the system rating. And some trustees might ask themselves, well, why would I do that?

My advice to them would be to take a look at some of the differences that the market provides you. Even though the rating may go down a notch from an A+ to an A, the credit credentials of the regional healthcare system that you will becoming a part of gets them an interest rate that is the same as your A+ would get you as a standalone community hospital, or maybe even lower.

So it goes beyond the rating; it really goes to how investors see this credit versus your historical credit. I think more often than not, you will see there is a benefit to it despite the fact that your rating in the short run might be reduced to that of the health system.

In some of the M & A activities—for example, when two health systems come together in a merger of equals—I think there is a conscious decision to accept a downgrade for one of the organizations and an upgrade for the other one to reflect the combined credit strength of the entity. That's an eyes wide open decision. Again, investors are going to set an interest rate that is appropriate for that combined credit that may be at or close to where the rating was for the higher rated organization before the merger took place. But the credit ratings in and of themselves don't matter as much as what that means for your borrowing cost. And sometimes there is a disconnect between the ratings and the borrowing costs, with larger health systems, I think, being afforded greater capital access and lower borrowing costs.

5. TAXABLE VS. TAX-EXEMPT BONDS

Michael Irwin: One of the things we have seen recently that we find very, very interesting and probably portends more change in the future is the increasing interest—particularly among the large, well-heeled, well-capitalized, high credit rating health systems—in accessing the capital markets via the corporate market; that is, taxable debt. There are market drivers and also business drivers for this.

In the current market, we see that tax-exempt rates and taxable rates are virtually the same for high quality healthcare organizations. This is just an anomaly that could change in the near future or it could remain that way for a long time to come. In any event, the large health systems that are electing to move forward with financings in the corporate market see several distinctive benefits of doing so: 1) taking advantage of the current market conditions to get

affordable capital in the taxable market; and, 2) cultivating a relationship with a whole new group of investors who are investing in General Motors and pharmaceutical companies in addition to not-for-profit healthcare organizations. And that, obviously, offers great potential for the future. It allows you to have the broadest array of investors familiar with your healthcare organization and more willing to participate in your future financings. That is obviously a very, very important strategic benefit.

More importantly, these organizations have identified the fact that by accessing the taxable market, they are freed from the restrictions imposed by the tax-exempt market. In the tax-exempt market, they have to have a project before they can move forward with the financing; they have to have a project that qualifies for tax-exempt status. And that means something in the four corners for their 501(c)(3) not-for-profit status. Since many of the strategies that they're pursuing require them to be joint venturing with for-profit companies in some cases, or partnering with their physicians who may not be employed by the health system, that tax-exempt bond deal could potentially in the future create limitations on how they can use some of the facilities, a problem that is not inherent in going to the taxable market.

And most importantly of all, I think they recognize the value of being nimble in a low interest rate environment and in a dramatically changing world, quickly changing world. In the corporate market, you don't need a project. You can make a decision that you are going to be spending a lot of capital over the next couple of years and you can raise it in very large numbers—in some cases not-for-profit systems have raised north of a billion dollars in a transaction. And the use of proceeds is listed in the offering document as "general corporate purposes." That is a strategic war chest that empowers those not-for-profit healthcare organizations to be able to seize the opportunities as they present themselves and be very, very nimble to shift with the changes as they occur, real time, in the marketplace.

One word of note to all healthcare organizations out there is, the corporate market is more restricted than a municipal market in terms of the credit credentials of the borrowing healthcare organization and the size of the offering. So whereas many community hospitals, regional health systems, have benefited from the municipal markets' willingness to do issues from as small as 25 million to several hundred million dollars, and for healthcare ratings from BB to BBB to A- to AA, the corporate market is much more restrictive in terms of credit credentials. I would suggest that it is an A category or better to be able to access the corporate markets.

The other thing that corporate investors are really sensitive about is the size of the issue. Because they're looking for liquidity in their investment, the only way they feel comfortable that they are going to have liquidity, if at some future date they need to liquidate their position, is to know that there are a lot of investors who already know and trust that credit name, who would be willing to offer a bid in a secondary market trade. So there is actually a standard size, it's called "index eligible size," and the minimum index eligible size is \$250 million. So just a note to all of the healthcare organizations: the taxable market is attractive for all of the reasons

I've given, but it does require you to be very sensitive to the more stringent requirements on size and on credit quality.

SUMMARY

WHEN A MERGER OR ACQUISITION OCCURS, THE CREDIT RATINGS OF ONE OR BOTH PARTIES MAY CHANGE:
IN A MERGER BETWEEN A LARGER SYSTEM AND A SMALLER SYSTEM OR STANDALONE HOSPITAL, TYPICALLY THE RATING OF THE LARGER SYSTEM IS AFFIRMED; I.E., BOTH ENTITIES NOW HAVE THE LARGER SYSTEM'S RATING;
IN A MERGER BETWEEN EQUALS, BOTH ENTITIES MAY BE UPGRADED.

THE ORGANIZATION WHOSE RATING IS LOWERED BENEFITS BECAUSE THE LARGER SYSTEM HAS GREATER ACCESS TO CAPITAL AND LOWER BORROWING COSTS.

LARGE SYSTEMS INCREASINGLY ARE CONSIDERING ISSUING TAXABLE BONDS. THE ADVANTAGES INCLUDE:

- FAVORABLE MARKET CONDITIONS
- DEVELOPING RELATIONSHIPS WITH NEW INVESTORS
- BROADENING THE ARRAY OF INVESTORS WHO WILL BECOME FAMILIAR WITH THE ORGANIZATION
- FUNDS ARE NOT TIED TO A SPECIFIC PROJECT – CAN BE LISTED IN OFFERINGS AS “GENERAL CORPORATE PURPOSES”

THE CORPORATE MARKET IS MORE RESTRICTIVE THAN THE MUNICIPAL MARKET:

- CREDIT CREDENTIALS GENERALLY REQUIRE A CREDIT RATING OF “A” OR ABOVE
- THE SIZE OF THE ISSUE HAS AN IMPACT, THE INDEX ELIGIBLE SIZE IS \$250 MILLION

For additional information please go to www.iprotean.com.

To: Board of Commissioners
From: Leianne Everett, Superintendent
Date: 7/23/2020
Subject: Post COVID Sustainability of Custodial Program

The residents in our Custodial Program are amongst the most fragile population impacted by COVID-19. Because of this, we have worked very hard to isolate our residents from as many staff as possible, while minimizing visitation with family and friends. These protective measures have resulted in a diminished quality of life for the residents.

The major points of concern are:

- Residents are isolated, which has diminished quality of life
- Residents lack the full milieu of activities for stimulation and mental health
- Regulatory expectations for swing bed licensure are being met, however, regulations do not address what is the right thing to do for the residents from a quality of care perspective
- Positive COVID tests are increasing, resulting in an increased risk of exposure to residents as staff members cross patient populations
- Pandemic has shed light on the difficulty of providing the appropriate, quality care to a custodial resident that is housed in an environment that cohorts residents with acute patients

This discussion is being brought before the board because the current situation calls into question whether we are upholding our mission and vision statement of nurturing a health community and providing quality healthcare. Those ideals are difficult to uphold given a long-term care service is being provided in an acute setting during a pandemic.



To: Board of Commissioners
From: Leianne Everett, Superintendent
Date: 7/23/2020
Subject: Recruitment Update

Arbor Health has been very fortunate to have successfully recruited several key positions. The following positions have been recently filled:

- Pharmacist-in-charge – Don Roberts has been on-boarded and is present. We are awaiting his WA pharmacist license and he will begin transitioning once the license is active,
- Randle Clinic Physician – Travis Podbilski, D.O. will begin treating patients in summer 2021. He is finishing his residency in Tacoma, WA. Dr. Podbilski is an avid outdoor enthusiast that chose Randle Clinic because he wants to work and live where he vacations,
- Clinic Manager for Mossyrock & Randle Clinics – Brandy Childress joins us from Elma, WA. Brandy will begin working at Arbor Health on July 27, 2020,
- Facilities Manager – Bruce Epps will join us on August 3, 2020. Bruce has many years of healthcare facilities experience in the Yakima Valley region. Bruce's professional connections within the State of Washington will serve our district well.

We continue to creatively recruit to fill our clinical positions.



MEMORANDUM

To: Board of Commissioners
From: Dexter A. Degoma, Interim Manager, Quality
Date: July 23, 2020
Re: Annual Reviews

On Wednesday, July 22, 2020, the Quality Improvement Oversight Committee was presented the following documents for review and recommendations for approval to the Board of Commissioners. For reference, below you will find important facts about each of documents being presented for approval.

- **WHAT's NEW:** In keeping with Arbor Health's focus on standardization, all three documents were standardized by streamlining and simplifying the interpretive presentations of key metrics. This is to ensure that all levels of personnel within the organization are able to connect with the information being reported as well as being engaged with the improvements that are being made. In addition, you will find that the information surrounding Quality, Performance Improvement and Patient Safety are consistent with each document that illustrates the continuous commitment by Arbor Health in not only fostering trust and nurturing a healthy community, but also providing accessible quality healthcare.

1) 2020 Critical Access Hospital (CAH) Periodic Evaluation

(January 1, 2019 – December 31, 2019)

- The purpose of the Annual Critical Access Hospital (CAH) Evaluation is to provide a formal mechanism by which Arbor Health carries out a periodic evaluation of its total program periodically.
- The evaluation is to determine whether the utilization of services was appropriate, the established policies were followed, and any changes are needed.
- In alignment with the Centers for Medicare and Medicaid Services' (CMS) Condition of Participation (CoP) for CAH, this document describes and includes but not limited to the review of utilization of Arbor Health's services, outcomes from active and closed clinical records, and a report of key policies and procedures that were either newly developed, reviewed and updated.

2) 2020 QAPI and Patient Safety Plan and Evaluation

- The purpose of the Quality Assessment, Performance Improvement (QAPI) and Patient Safety Plan is to provide a formal mechanism by which Arbor Health utilizes objective measures to monitor and evaluate the quality of services provided to patients.
- Quality and Patient Safety are defined broadly to include care that strives to be safe, effective, patient-centered, timely, efficient, and equitable.
- The plan facilitates a multidisciplinary, systematic performance improvement approach to identify and pursue opportunities to improve patient outcomes and reduce the risks associated with patient safety in a manner that embraces the mission, vision, and values of Arbor Health.

3) 2020 Risk Management Plan

- The risk management plan of Arbor Health is designed to assure that the standard of care by the staff is maintained at the acceptable level, to reduce the risk of patient injury as a consequence of that care, and to minimize financial loss to the facility.
- The risk management plan is designed to:
 - Identify areas of risk in the clinical aspects of patient care and safety
 - Identify criteria for screening assess with risk potential regarding clinical aspects of patient care and safety
 - Establish the investigative and evaluative process applied to cases with risk potential
 - Assure timely intervention in events below standard of practice
 - Develop policies and programs to reduce risk in clinical aspects of patient care and safety
 - Establish communication between risk management and quality assurance/improvement functions in the facility
 - Report risk management activities to the Kansas Department of Health and Environment and other appropriate licensing agencies, as mandated by law

For additional information about any of the documents described above, please feel free to contact Administration to schedule a time.

Thank you



2020 CRITICAL ACCESS HOSPITAL PERIODIC EVALUATION

January 1, 2019 - December 31, 2019

Table of Contents

Content	Page
Our Organization	3
Purpose	3
Mission, Vision, Values	3
Structure and Leadership	4
Program Evaluation	5
Our Services	5
Volume and Utilization	5
Inpatient Utilization	5
Outpatient Utilization	6
Clinic Utilization	7
Payor Mix	7
Active and Closed Medical Records Audit	7
Review Process	7
Open Chart Review	8
Medical Staff Peer Review	8
Gathering Data	9
Analyzing and Reporting Data	9
Implementation of Actions and Dissemination of Information	10
Health Care Policies	11
Quality Assurance	12
QAPI Model	12
Prioritization of Areas for Measurement	12
Developing Measure Specifications	13
Infection Prevention and Control	14
Patient Satisfaction	15
Arbor Health Morton Hospital	15
Arbor Health Emergency Department	16
Arbor Health Clinics	17
Annual Evaluation	17

OUR ORGANIZATION

Lewis County Public Hospital District No. 1 dba Arbor Health is located in eastern Lewis County, Washington surrounded by several National Forests and very close to Mt. Rainier National Park.

The District operates Arbor Health Morton Hospital, a 25-bed, 501c(3) Critical Access Hospital (CAH) providing a range of services including inpatient care, 24-hour emergency services, primary and specialty care, laboratory, pharmacy, diagnostic imaging, surgery, physical therapy and sleep lab.

The purpose of a public hospital district under RCW 70.44 includes, among other factors, to provide hospital services and other health care services for the residents of the District and others.

PURPOSE

The purpose of the Annual Critical Access Hospital (CAH) Evaluation is to provide a formal mechanism by which Arbor Health carries out a periodic evaluation of its total program periodically. The evaluation is to determine whether the utilization of services was appropriate, the established policies were followed, and any changes are needed. In alignment with the Centers for Medicare and Medicaid Services' (CMS) Condition of Participation (CoP) for CAH, this document describes and includes but not limited to the review of utilization of Arbor Health's services, outcomes from active and closed clinical records, and a report of key policies and procedures that were either newly developed, reviewed and updated.

MISSION, VISION, VALUES

Our Vision

*To provide accessible,
quality healthcare*

Our Mission

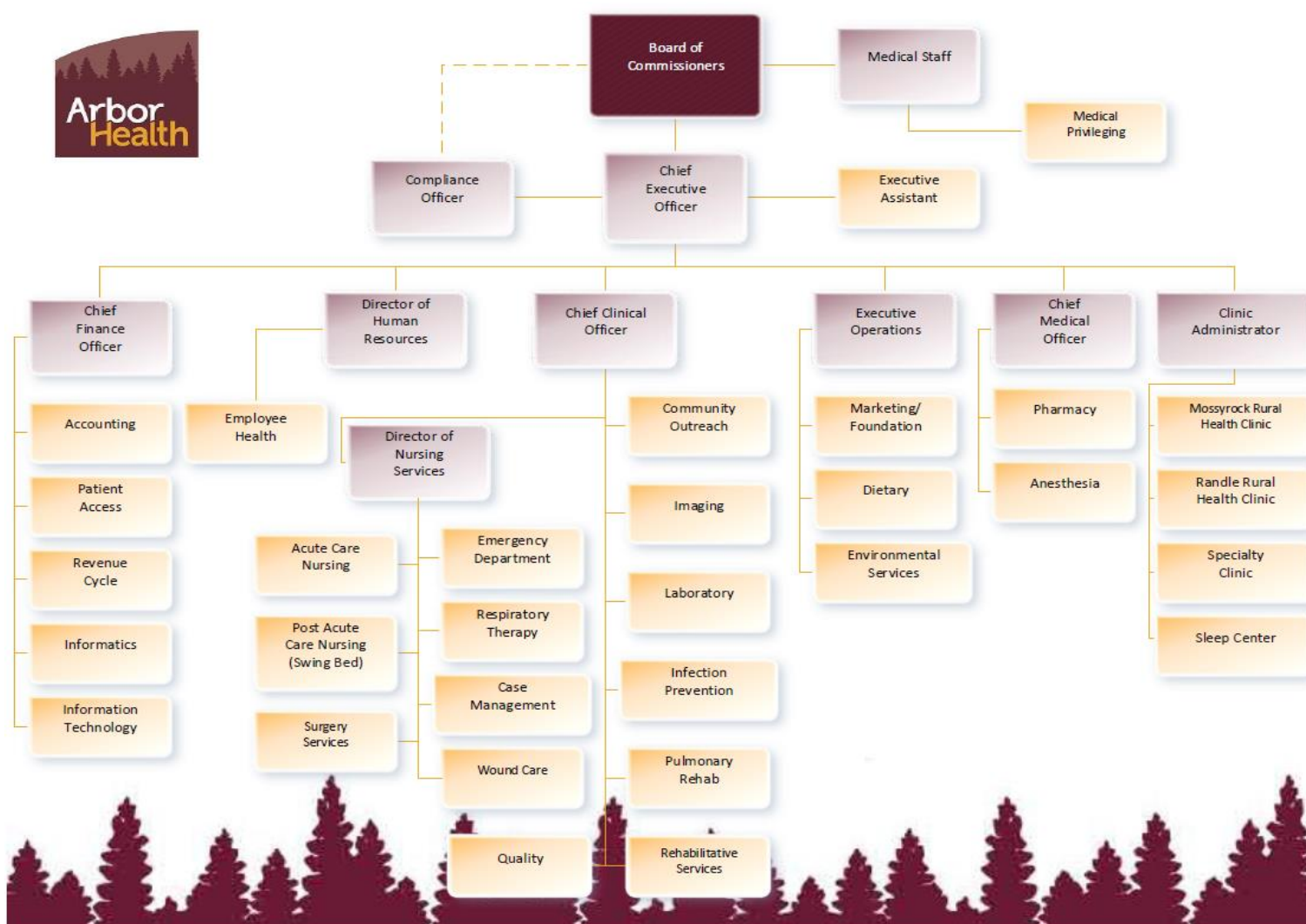
To foster trust
and nurture a
healthy community

Core Values

- One team, one mission.
 - Go out of your way, to brighten someone's day.
 - Own it, embrace it.
 - Care like crazy.
- Motivate, elevate, appreciate.
 - Know the way, show the way, ease the way.
 - Find joy along the way.

STRUCTURE AND LEADERSHIP

Key employees are responsible for the development, evaluation, and review of Arbor Health's Annual CAH Evaluation. These individuals, Arbor Health's President and Superintendent, Chief Clinical Officer, Chief Financial Officer, and Director of Human Resources are joined by the hospital Chief Medical Officer and Chief of Staff to fully represent the spectrum of hospital services. These leaders work directly and openly to improve quality by setting priorities, modeling core values, promoting a learning atmosphere, acting on recommendations, and allocating resources for improvement. These individuals are supported by a structure of formal and informal committees or work groups where the components of the program are defined, implemented, refined, and monitored. These groups are comprised of attending physicians, staff, management which in turn reports to the Board of Commissioners.



PROGRAM EVALUATION

A. OUR SERVICES

- 24-hour, on-site ER Doctor
- Morton Clinic
- Mossyrock Clinic
- Randle Clinic
- Specialty Clinic
 - General Surgery
 - Women's Health
 - Sleep Medicine
- Surgery Clinic
- Wound Care Clinic
- Clinical Laboratory
- Consulting Specialists
- Diagnostic Imaging
 - CT Scan
 - 3-D Digital Mammography
 - Digital X-Ray
 - MRI
 - Nuclear Medicine
 - Ultrasound
- Behavioral Health
- Nutritional Services
- Outpatient Drug Therapy
- Physical Rehabilitation
 - Aqua Therapy
 - Occupational Therapy
 - Physical Therapy
 - Respiratory Services
 - Speech Therapy
- Sleep Lab
- Social Services

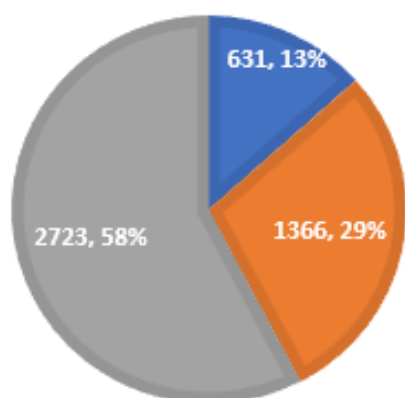
B. VOLUME AND UTILIZATION

INPATIENT UTILIZATION

PATIENT DAYS

01/01/2019 - 12/31/2019

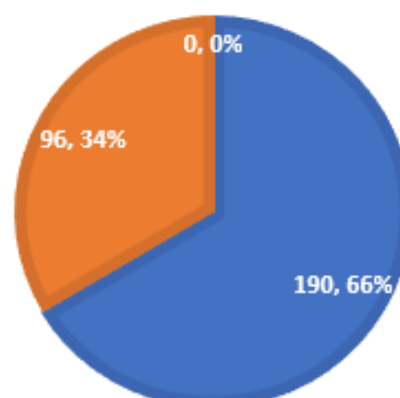
■ Medical/Surgical ■ Skilled Nursing ■ Custodial Admits



ADMISSIONS

01/01/2019 - 12/31/2019

■ Medical/Surgical ■ Skilled Nursing ■ Custodial Admits

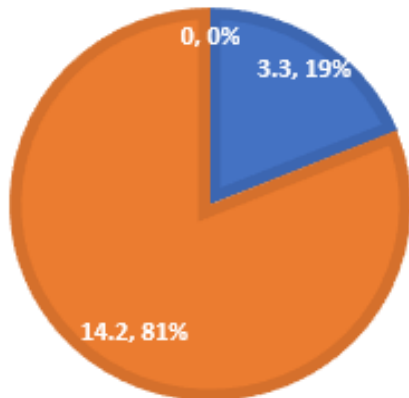


INPATIENT UTILIZATION (Continued)

LENGTH OF STAY

01/01/2019 - 12/31/2019

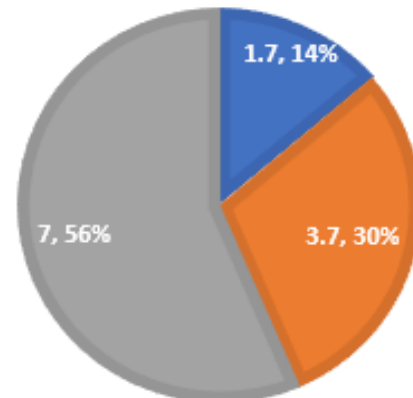
■ Medical/Surgical ■ Skilled Nursing ■ Custodial Admits



AVERAGE CENSUS

01/01/2019 - 12/31/2019

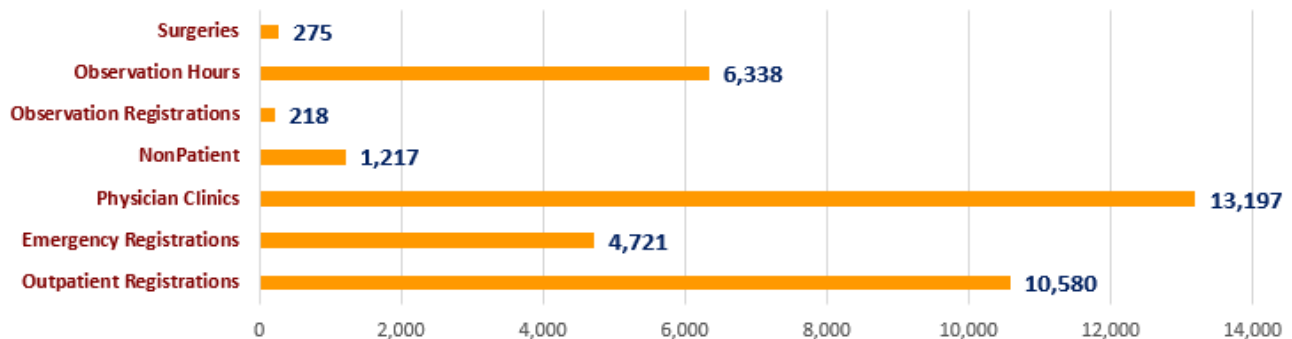
■ Medical/Surgical ■ Skilled Nursing ■ Custodial Admits



OUTPATIENT UTILIZATION

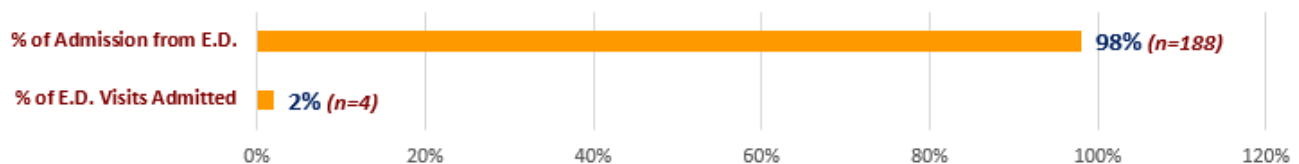
REGISTRATIONS

01/01/2019 - 12/31/2019



ED SERVICES

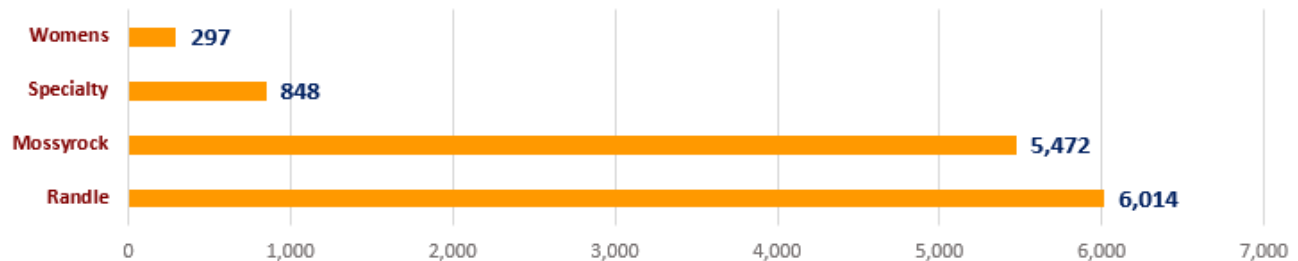
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CLINIC UTILIZATION

CLINIC VISITS

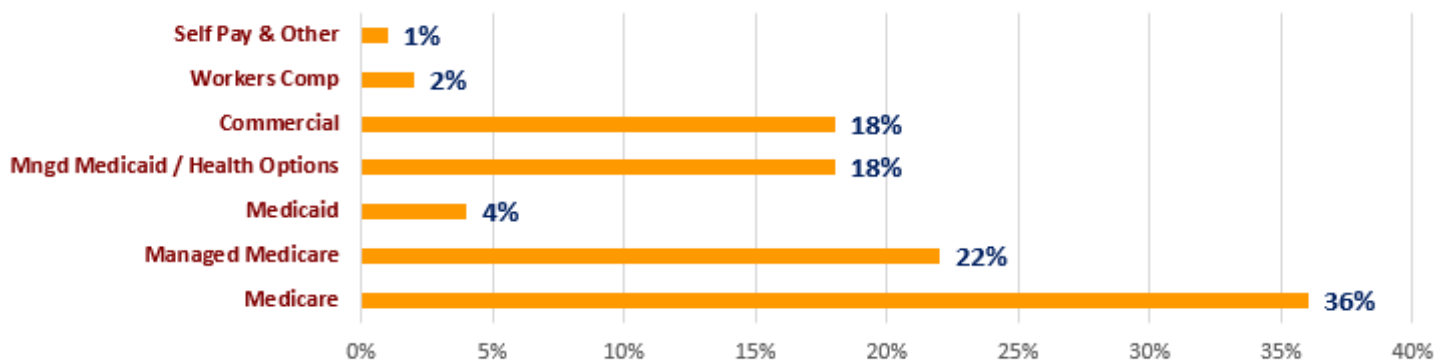
01/01/2019 - 12/31/2019



PAYOR MIX

PAYOR MIX

01/01/2019 - 12/31/2019



C. ACTIVE AND CLOSED MEDICAL RECORDS AUDIT

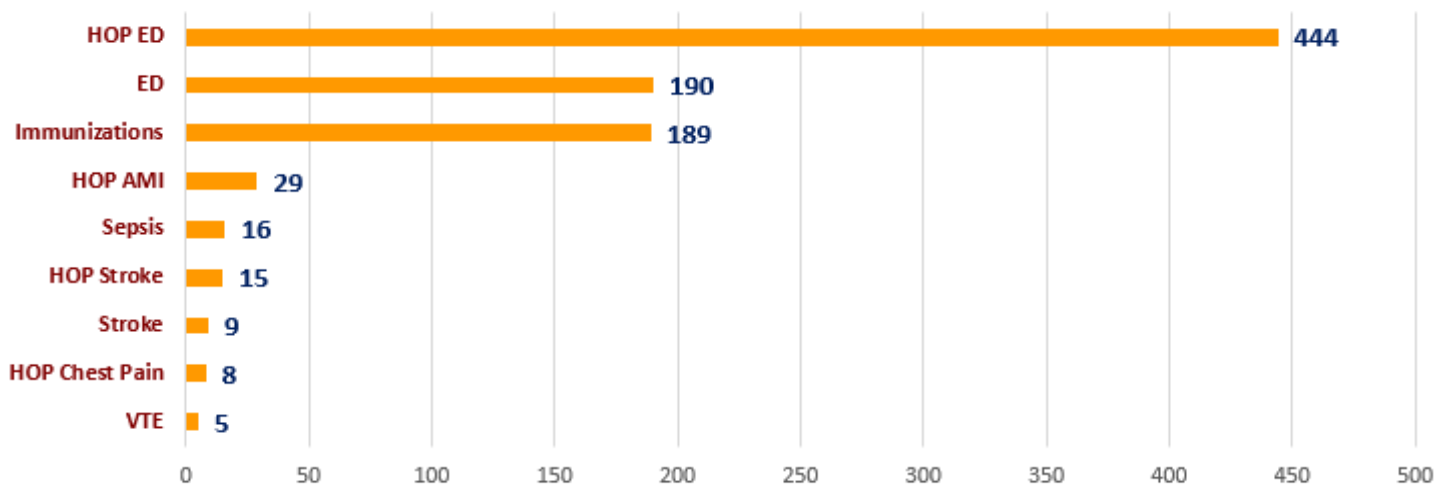
REVIEW PROCESS

In compliance with CAH regulation CFR 485.641(a) (1) (ii) a representative sample (at least 10%) of both active and closed clinical records were reviewed in in the past year. Records addressed included inpatient, emergency room, and ambulatory records. Both concurrent and retrospective reviews were conducted for completeness, accuracy, informed consent, medical necessity, and adherence to protocols and standards of care.

OPEN CHART REVIEW

CMS REQUIRED - OPEN CHART REVIEW

01/01/2019 - 12/31/2019



MEDICAL STAFF PEER REVIEW

Arbor Health performs Peer Review for both hospital cases and clinic encounters. Arbor Health uses an external Peer Review process for the hospital cases in agreement with the Washington Hospital Services, a Washington State Hospital Association company and an internal Peer Review process is conducted for clinic encounters. Active and closed clinical records undergo review according to criteria established by the Arbor Health Peer Review Committee. Additional cases review selections come through requests from Compliance, Utilization Review, Risk Management, Medical and/or Nursing staffs. Peer Review findings are discussed in executive session meetings of the Arbor Health Medical Staff. Findings are used in determination of clinical privileges, continued membership on Arbor Health's Medical Staff, or other corrective or remedial action as appropriate.

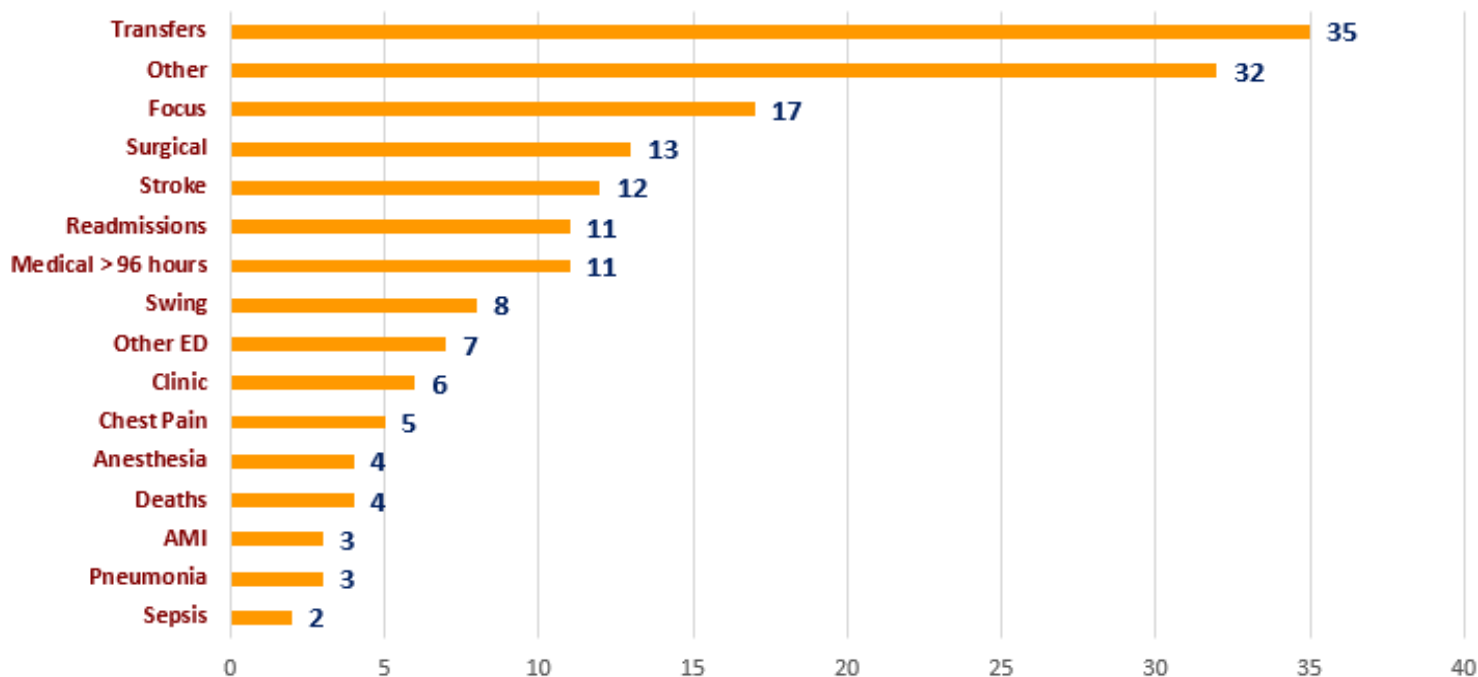
Indicators that trigger selection or consideration for Physician Peer Review include but not limited to:

- Unanticipated deaths, including patient suicide
- Unanticipated complications in patient condition and/or treatment that result in actual or potential prolongation of the patient's stay, and/or major permanent loss of function.
- Surgery on the wrong patient or wrong body part
- Surgical and/or anesthesia related complications including unexpected return to surgery
- Unplanned re-admission within seven days of discharge for same or similar diagnosis (excludes Swingbed admissions)
- Moderate to severe adverse drug reactions
- Blood utilizations
- Other cases requested by nurse managers, PI/Risk Manager, or medical staff

MEDICAL STAFF PEER REVIEW (Continued)

MEDICAL STAFF PEER REVIEW - OPEN CHART REVIEW

01/01/2019 - 12/31/2019



GATHERING DATA

Data is then gathered on a pre-determined timeframe (weekly, monthly, quarterly). Regular reporting of data requires continued attention from teams. A designated person will be assigned and held accountable for gathering data and having the information available when due. Sampling sizes are determined based on recognized, statistically significant sample sizes of:



ANALYZING AND REPORTING DATA

The work groups discuss data analysis and determine what initiatives must be implemented to attain the desired outcome. Analysis usually involves multiple iterations and analysis to examine different aspects of the quality issue. Whenever possible and appropriate, statistical control methods, trending, and/or comparison with published benchmarks are used to analyze quality and safety measures.

IMPLEMENTATION OF ACTIONS AND DISSEMINATION OF INFORMATION

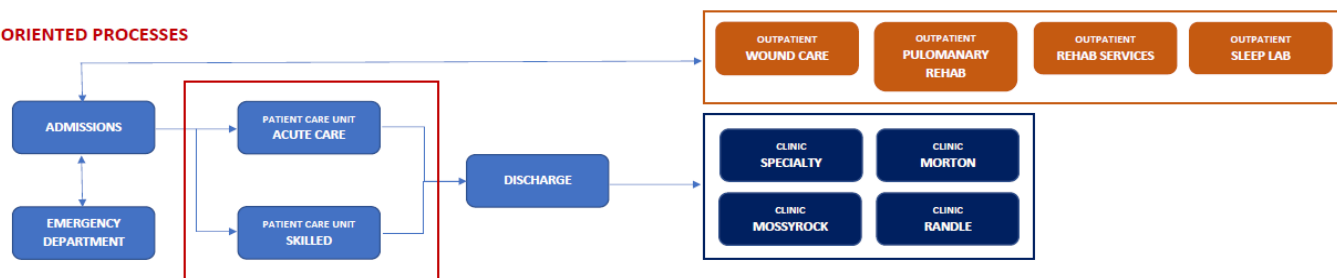
Implementation begins and re-measurement occurs with refinement in actions if the desired outcome is not achieved or the outcome is not maintained. Communication of quality and safety information is the responsibility of clinical and administrative leadership. This information is reported to the Quality Management Department, and throughout the organization, using the Performance Improvement Quarterly report and/or other acceptable formats. Annually or more frequent as necessary, the performance is presented at the Quality Improvement Oversight Committee with minutes and then presented to the Board of Commissioners.

ORGANIZATION PROCESS MAP

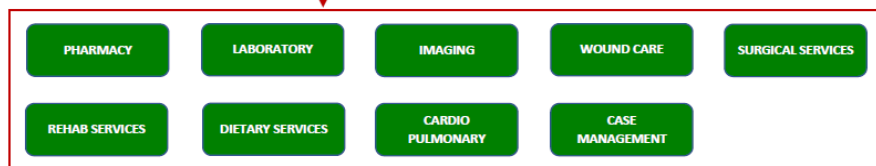
MANAGEMENT ORIENTED PROCESSES



PATIENT ORIENTED PROCESSES



PATIENT ORIENTED SUPPORT PROCESSES



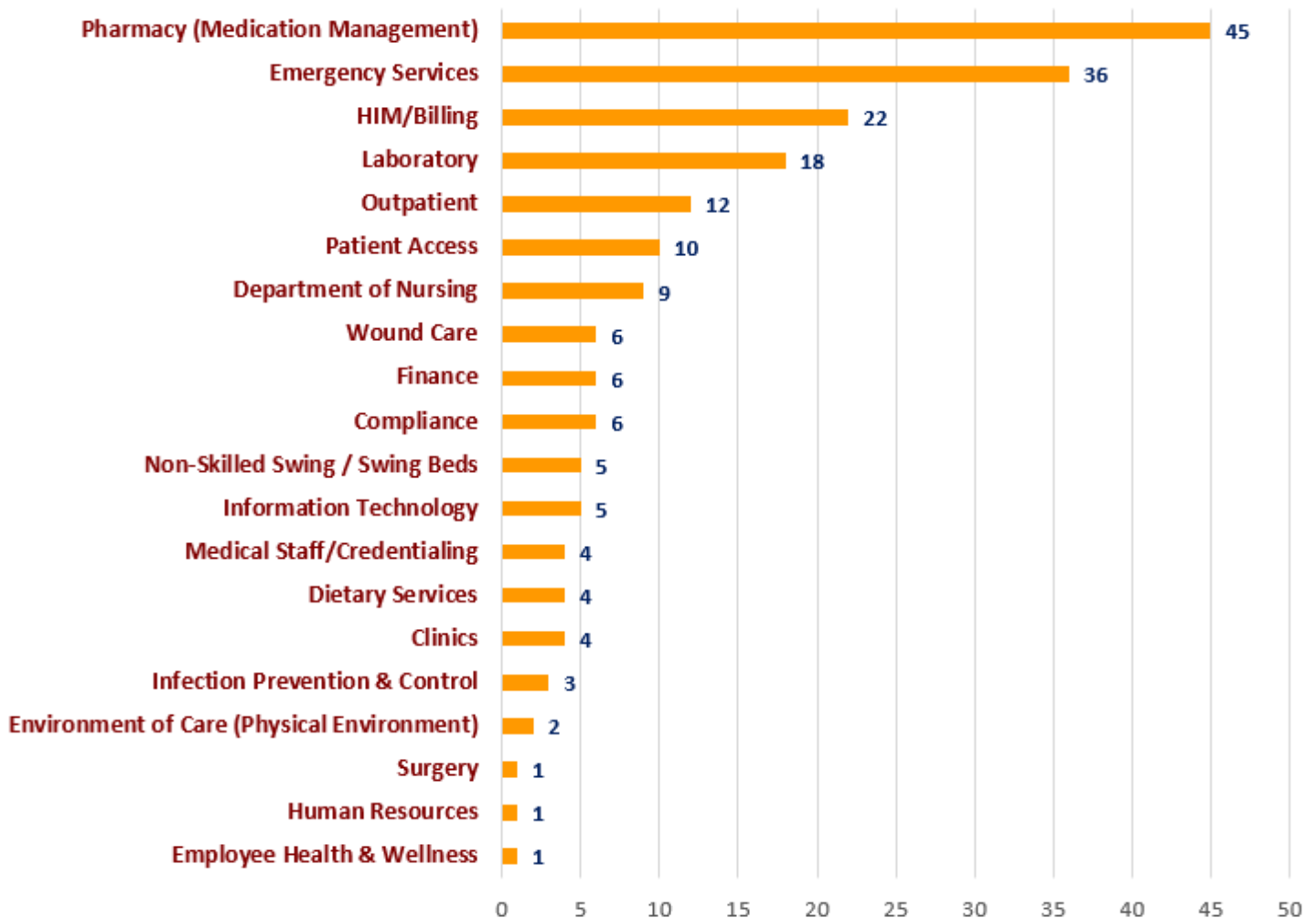
HOSPITAL AND CLINIC SUPPORT ORIENTED PROCESSES



D. HEALTH CARE POLICIES

Patient care and administrative policies are added, reviewed, revised and/or deleted by action of the appropriate Arbor Health department or committee and approved by the Board of Commissioners. Policies are scheduled for review at least annually and whenever need for modification is recognized. Compliance with timely policy review is tracked by the applicable department director or manager and reported to the Policy and Procedure Review Committee.

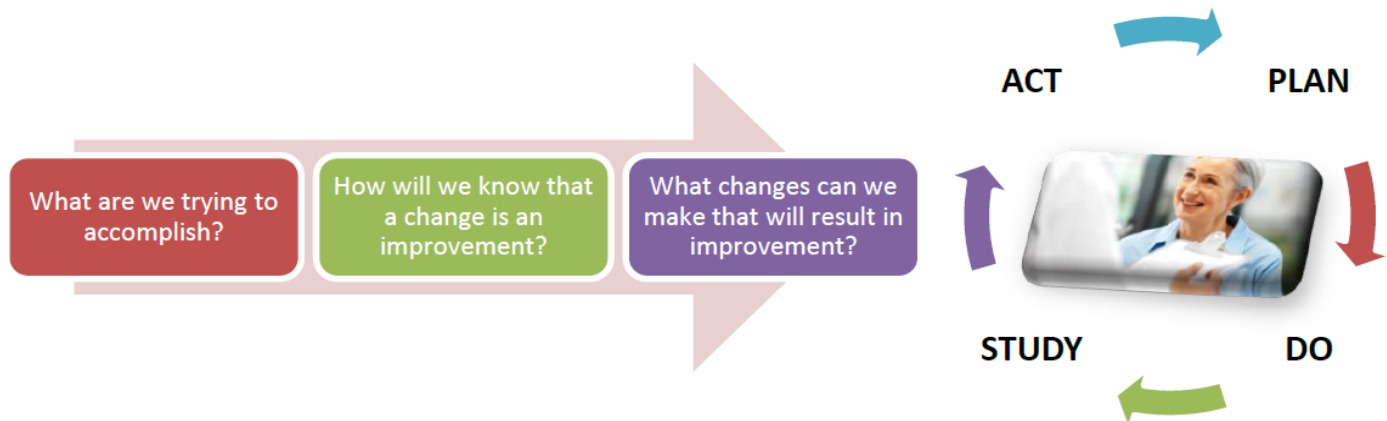
2019 Total Policies Reviewed



E. QUALITY ASSURANCE

QAPI MODEL

Arbor Health has adopted the Plan, Do, Study, and Act (PDSA) methodology for quality assessment and improvement. The PDSA model is a systematic series of steps for gaining valuable learning and knowledge for the continual improvement of a process.



P = Plan: Identify a goal or purpose, formulate a theory, define success metrics and put a plan into action.

D = Do: Implement the components of the plan

S = Study: Monitor outcomes to test the validity of the plan for signs of progress or success or problems and areas for improvement

A = Act: Integrate the learning generated by the process, adjust the goal or change interventional methods if necessary.

Additional Performance Improvement Methodologies

In addition to the PI methodology outlined above, other tools, techniques and methods are used to achieve improvement based on project goals and/or the nature of the problem under evaluation. Examples include Lean and Six Sigma via the Performance Improvement Program.

PRIORITIZATION OF AREAS FOR MEASUREMENT

The process for identifying priorities for measurement requires input and discussion with senior leadership, departments, and services from all areas involved with quality performance measurement and improvement. Priorities are identified based on leadership objectives, regulatory requirements, opportunities identified in external benchmark projects, opportunities identified through analysis of patient safety event reports and opportunities identified through sentinel events, standard of care findings or "Sentinel Event Alerts." These objectives or topics are then displayed in a matrix to better understand which areas of importance and relevance they cross (high risk, high volume, problem prone, mission, internal and external customer satisfaction, clinical outcome, safety, and regulatory).

DEVELOPING MEASURE SPECIFICATIONS

Work groups or committees define the metrics (indicators, goals, and benchmarks) for each topic. Representatives from all involved services collaboratively develop quality performance measure specifications based on the opportunities identified to be studied. Team members are identified with the help of clinical and administrative leadership. Work groups develop written measurement specifications, along with data abstraction tools when necessary.

Reduction of unassisted patient falls with a goal of zero falls	Measurement	2017	2018	2019
Unassisted Patient Fall <i>A patient fall occurs when a patient falls or collapses and assistance from a healthcare provider does not occur. Unassisted falls are more likely than assisted falls to result in injury.</i>	Number of unassisted patient falls reported / (Acute Inpatient Days + Swing Bed Patient Days) x 100	0.06	0.13	0.21

Monitor trends in patient safety events through Arbor Health's event reporting system and implement actions to reduce harm	Measurement	2017	2018	2019
Event Reporting Utilization <i>Providing safe care to patients is a top priority, and Arbor Health rely heavily on the participation of the staff to enter patient safety concerns in order to gather data, identify trends and implement error reduction and prevention plans.</i>	Total number events entered	No Data	311	320

Reduce readmissions	Measurement	2017	2018	2019
Readmission w/in 30 Days-All Cause <i>Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions.</i>	Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions / Total inpatient discharges (excluding discharges due to death) x 100	2.5	2.4	2.1
% Return ER Visits w/in 72 hours <i>Number of Emergency Department patients treated and released previously, then readmitted with the same or a similar diagnosis within 72 hours of initial release.</i>	(Number of ER patients returning with same or similar diagnosis to the ER within 72 hrs of their initial visit / Total ER visits) x 100	2.5	2.4	2.4

F. INFECTION PREVENTION AND CONTROL

Reduction of hospital acquired infections with a goal of zero infections	Measurement	2017	2018	2019
CAUTI – Catheter Associated Urinary Tract Infection <i>Infection involving any part of the urinary system, including urethra, bladder, ureters, and kidney associated with the use of a foley catheter.</i>	Total # HAI Event(s) Rate per 1000 Pt. Days	0 0	0 0	1 1.0
CDIFF - Clostridium difficile <i>Infection of the large intestine (colon) caused by the bacteria Clostridium difficile.</i>	Total # HAI Event(s) Rate per 1000 Pt. Days	1 0.1	0 0	1 0.2
CLABSI – Central Line Associated Blood Stream Infection <i>A primary laboratory confirmed bloodstream infection in a patient with a central line at the time of (or within 48-hours prior to) the onset of symptoms and the infection is not related to an infection from another site.</i>	Total # HAI Event(s) Rate per 1000 Pt. Days	0 0	0 0	0 0
MRSA - Methicillin-resistant staphylococcus aureus <i>Infections caused by specific bacteria that are resistant to commonly used antibiotics.</i>	Total # HAI Event(s) Rate per 1000 Pt. Days	1 0.1	0 0	0 0
SSI – Surgical Site Infection <i>Infection involving any part of the urinary system, including urethra, bladder, ureters, and kidney.</i>	Total # HAI Event(s) Rate per 1000 Pt. Days	1 0.1	0 0	0 0
Increase hand-hygiene compliance rate	Measurement	2017	2018	2019
Hand Hygiene <i>A simple yet effective way to prevent infections.</i>	Total Compliance /Opportunities by Visual Audits with a Goal of >95%	94%	83%	75.4%

G. PATIENT SATISFACTION

ARBOR HEALTH MORTON HOSPITAL

ARBOR HEALTH MORTON HOSPITAL HCAHPS Initiative	Arbor Health Top Box % 2020 Goal	CAH National Top Box %	Arbor Health Top Box % 2019
Global Hospital Rating 0-10	≥50	77.2	32
Recommend the Hospital	≥50	74.7	64
Communication with Nurses	≥50	83.5	42
Nurses treat with courtesy /respect	≥50	90.4	6
Nurses listen carefully to you	≥50	81.4	82
Nurses explain in way you understand	≥50	78.7	44
Response of Hospital Staff	≥50	74.4	58
Call button help soon as wanted it	≥50	72.9	45
Help toileting soon as you wanted	≥50	77.2	70
Communication with Doctors	≥50	83.8	86
Doctors treat with courtesy/respect	≥50	89.7	66
Doctors expl in way you understand	≥50	79.2	99
Doctors listen carefully to you	≥50	82.6	
Hospital Environment	≥50	73.2	28
Cleanliness of hospital environment	≥50	81.2	85
Quietness of hospital environment	≥50	65	7
Communication about Medicines	≥50	67.8	97
Tell you what new medicine was for	≥50	80.3	92
Staff describe medicine side effect	≥50	55.6	96
Discharge Information	≥50	89.3	58
Staff talk about help when you left	≥50	88.4	55
Info re symptoms/prob to look for	≥50	90.4	60
Care Transitions	≥50	54.9	53
Hosp staff took pref into account	≥50	49.5	14
Good understanding managing health	≥50	53.9	89
Understood purpose of taking meds	≥50	61.7	47

ARBOR HEALTH EMERGENCY DEPARTMENT

ARBOR HEALTH EMERGENCY DEPARTMENT HCAHPS Initiative	Arbor Health Top Box % 2020 Goal	Arbor Health Top Box % 2019
ED Overall	≥50	58.6
Standard Arrival	≥50	52.4
Waiting time before noticed arrival	≥50	67.6
Helpfulness of first person	≥50	61.9
Comfort of waiting area	≥50	33.5
Waiting time to treatment area	≥50	52.7
Waiting time to see doctor	≥50	44.2
ED Nursing	≥50	66.7
Nurses courtesy	≥50	69.8
Nurse took time to listen	≥50	68.6
Nurses attention to your needs	≥50	66.3
Nurses informative re treatments	≥50	63.6
Nurses concern for privacy	≥50	65.3
ED Doctors	≥50	58.7
Doctors courtesy	≥50	60.7
Doctor took time to listen	≥50	61.3
Doctor informative re treatment	≥50	59
Doctors concern for comfort	≥50	53.9
ED Tests	≥50	56.4
Courtesy of person who took blood	≥50	55.4
Concern blood draw comfort	≥50	57.3
Waiting time for radiology test	≥50	47.2
Courtesy of radiology staff	≥50	65.9
Concern for comfort radiology test	≥50	56.5
Family or Friends	≥50	59.9
Courtesy shown family/friends	≥50	61.1
Adequacy of info to family/friends	≥50	55.6
Let family/friend be with you	≥50	62.9
Personal/Insurance Info	≥50	62.4
Courtesy during pers/insur info	≥50	67.5
Privacy during pers/insur info	≥50	61.7
Ease giving pers/insur info	≥50	57.7
Personal Issues	≥50	55.9
Informed about delays	≥50	53.5
Staff cared about you as person	≥50	60.5
How well pain was controlled	≥50	51
Information about home care	≥50	57.7
Overall Assessment	≥50	55
Overall rating ER care	≥50	57.5
Likelihood of recommending	≥50	52.5

ARBOR HEALTH CLINICS

ARBOR HEALTH CLINICS HCAHPS Initiative	Arbor Health Top Box % 2020 Goal	Arbor Health Top Box % 2019
Clinic Overall	≥50	71
Standard Access	≥50	66.8
Ease of scheduling appointments	≥50	67.8
Ease of contacting	≥50	65.8
Std Moving Through Your Visit	≥50	56.2
Information about delays	≥50	57
Wait time at clinic	≥50	55.4
Clinic Nurse/Assistant	≥50	74.4
Concern of nurse/asst for problem	≥50	69.5
How well nurse/asst listen	≥50	79.3
Clinic Care Provider	≥50	75.6
CP explanations of prob/condition	≥50	76.1
CP concern for questions/worries	≥50	76.4
CP efforts to include in decisions	≥50	76.3
Likelihood of recommending CP	≥50	77.1
CP discuss treatments	≥50	72
Personal Issues	≥50	72.4
How well staff protect safety	≥50	74.2
Our concern for patients' privacy	≥50	70.6
Std Overall Assessment	≥50	73.1
Staff worked together care for you	≥50	75.2
Likelihood of recommending	≥50	71.1

H. ANNUAL EVALUATION

Arbor Health Morton Hospital and the Board of Commissioners shall review the Critical Access Hospital Periodic Evaluation at least annually in alignment with the calendar year. An annual evaluation is completed to identify components of the plan that require development, revision or deletion. Arbor Health and the Board of Commissioners also evaluate annually their contributions to the performance improvement and patient safety activities at Arbor Health.



2020 QAPI and Patient Safety Plan and Evaluation

Table of Contents

Content	Page
Our Organization	3
Purpose	3
Mission, Vision, Values	3
Objective	4
Structure and Leadership	4
Quality Assessment and Performance Improvement Process	4
Prioritization of Areas for Measurement	4
Developing Measure Specifications	5
Gathering Data	5
Analyzing and Reporting Data	5
Implementation of Actions and Dissemination of Information	5
QAPI Model	6
Annual Evaluation	6
APPENDIX A - 2020 Goals and Expectations	7
The 2020 QAPI and Patient Safety Areas of Focus	8
Patient Safety Focus	8
Improve Patient Safety, Quality, and Service	9 - 13
Improve Resource Utilization	14
Monitor External Regulatory, Accreditation, and Collaborative Indicators	15 - 20
APPENDIX A - 2019 Evaluation	21
Improve Patient Safety, Quality, and Service	22 - 29
Improve Resource Utilization	29
Monitor External Regulatory, Accreditation, and Collaborative Indicators	29 - 34

OUR ORGANIZATION

Lewis County Public Hospital District No. 1 dba Arbor Health is located in eastern Lewis County, Washington surrounded by several National Forests and very close to Mt. Rainier National Park.

The District operates Arbor Health Morton Hospital, a 25-bed, 501c(3) Critical Access Hospital (CAH) providing a range of services including inpatient care, 24-hour emergency services, primary and specialty care, laboratory, pharmacy, diagnostic imaging, surgery, physical therapy and sleep lab.

The purpose of a public hospital district under RCW 70.44 includes, among other factors, to provide hospital services and other health care services for the residents of the District and others.

PURPOSE

The purpose of the Quality Assessment, Performance Improvement (QAPI) and Patient Safety Plan is to provide a formal mechanism by which Arbor Health utilizes objective measures to monitor and evaluate the quality of services provided to patients. Quality and Patient Safety are defined broadly to include care that strives to be safe, effective, patient-centered, timely, efficient, and equitable. The plan facilitates a multidisciplinary, systematic performance improvement approach to identify and pursue opportunities to improve patient outcomes and reduce the risks associated with patient safety in a manner that embraces the mission, vision, and values of Arbor Health.

MISSION, VISION, VALUES

Our Vision

*To provide accessible,
quality healthcare*

Our Mission

To foster trust
and nurture a
healthy community

Core Values

- One team, one mission.
- Go out of your way,
to brighten someone's day.
- Own it, embrace it.
 - Care like crazy.
- Motivate, elevate, appreciate.
 - Know the way,
show the way, ease the way.
- Find joy along the way.

OBJECTIVE

Objectives of the CY 2020 QAPI and Patient Safety Plan are:

- Continue to build the comprehensive resource infrastructure (i.e., human capital, data collection, analysis, process improvement, outcome assessment, software, education and training)
- To provide a framework for integrating quality, safety, and service into performance improvement opportunities, implementing actions, and evaluating results based on the aspirational goals of always providing care that is safe, effective, patient-centered, timely, efficient, and equitable.
- To encourage an environment that supports safety, encourages non-punitive reporting, addresses maintenance and improvement in patient safety issues in every department throughout the facility, and establishes mechanisms for the disclosure of information related to errors.
- To focus and coordinate the organization-wide performance improvement, patient safety, and patient experience initiatives based on sound metrics, state of the art analysis, and contemporary improvement methods.
- To facilitate communication, reporting, and documentation of all quality, patient safety, and patient experience activities to professional staff, administration, and appropriate governing members.
- To maximize effective organizational and clinical decision making.
- Promote teamwork and group responsibility in identifying and implementing opportunities for improvement.
- To utilize tools and approaches that capitalize on knowledge regarding holistic approaches to improving quality and safety systems, including those developed outside of health care.
- To enhance the integration of medical staff physicians into meaningful patient safety, patient experience, and quality initiatives.

STRUCTURE AND LEADERSHIP

Key employees are responsible for the development and implementation of the QAPI and Patient Safety Plan. These individuals, Arbor Health's Chief Executive Officer and Superintendent, Chief Nursing and Quality Officer, Chief Financial Officer, and Director of Human Resources are joined by the hospital Chief Medical Officer and Chief of Staff to fully represent the spectrum of hospital services. These leaders work directly and openly to improve quality by setting priorities, modeling core values, promoting a learning atmosphere, acting on recommendations, and allocating resources for improvement. These individuals are supported by a structure of formal and informal committees or work groups where the components of the program are defined, implemented, refined, and monitored. These groups are comprised of attending physicians, staff, management, and members of the Board of Commissioners and are represented via a reporting process to the Quality Improvement Oversight Committee for QAPI and patient safety reporting. The Quality Improvement Oversight Committee which in turn reports to the Board of Commissioners.

QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT PROCESS

PRIORITIZATION OF AREAS FOR MEASUREMENT

The process for identifying priorities for measurement requires input and discussion with senior leadership, departments, and services from all areas involved with quality performance measurement and improvement. Priorities are identified based on leadership objectives, regulatory requirements, opportunities identified in external benchmark projects, opportunities identified through analysis of patient safety event reports and opportunities identified through sentinel events, standard of care findings or "Sentinel Event Alerts." These objectives or topics are then displayed in a matrix to better understand which areas of importance and relevance they cross (high risk, high volume, problem prone, mission, internal and external customer satisfaction, clinical outcome, safety, and regulatory).

DEVELOPING MEASURE SPECIFICATIONS

Work groups or committees define the metrics (indicators, goals, and benchmarks) for each topic. Representatives from all involved services collaboratively develop quality performance measure specifications based on the opportunities identified to be studied. Team members are identified with the help of clinical and administrative leadership. Work groups develop written measurement specifications, along with data abstraction tools when necessary.

GATHERING DATA

Data is then gathered on a pre-determined timeframe (weekly, monthly, quarterly). Regular reporting of data requires continued attention from teams. A designated person will be assigned and held accountable for gathering data and having the information available when due. Sampling sizes are determined based on recognized, statistically significant sample sizes of:



Real time data are collected as possible.

ANALYZING AND REPORTING DATA

The work groups discuss data analysis and determine what initiatives must be implemented to attain the desired outcome. Analysis usually involves multiple iterations and analysis to examine different aspects of the quality issue. Whenever possible and appropriate, statistical control methods, trending, and/or comparison with published benchmarks are used to analyze quality and safety measures.

IMPLEMENTATION OF ACTIONS AND DISSEMINATION OF INFORMATION

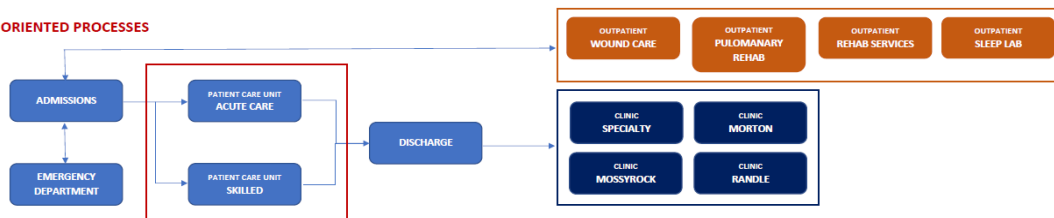
Implementation begins and re-measurement occurs with refinement in actions if the desired outcome is not achieved or the outcome is not maintained. Communication of quality and safety information is the responsibility of clinical and administrative leadership. This information is reported to the Quality Management Department, and throughout the organization, using the Performance Improvement Quarterly report and/or other acceptable formats. Annually or more frequent as necessary, the performance is presented at the Quality Improvement Oversight Committee with minutes and then presented to the Board of Commissioners.

ORGANIZATION PROCESS MAP

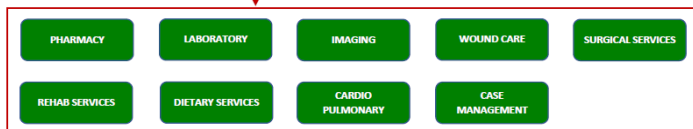
MANAGEMENT ORIENTED PROCESSES



PATIENT ORIENTED PROCESSES



PATIENT ORIENTED SUPPORT PROCESSES

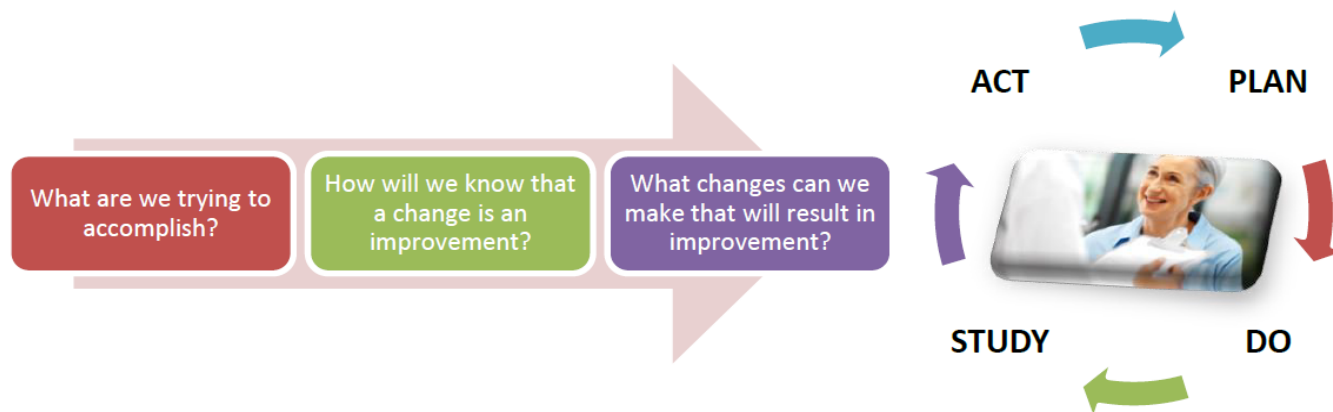


HOSPITAL AND CLINIC SUPPORT ORIENTED PROCESSES



QAPI MODEL

Arbor Health has adopted the Plan, Do, Study, and Act (PDSA) methodology for quality assessment and improvement. The PDSA model is a systematic series of steps for gaining valuable learning and knowledge for the continual improvement of a process.



P = Plan: Identify a goal or purpose, formulate a theory, define success metrics and put a plan into action.

D = Do: Implement the components of the plan

S = Study: Monitor outcomes to test the validity of the plan for signs of progress or success or problems and areas for improvement

A = Act: Integrate the learning generated by the process, adjust the goal or change interventional methods if necessary.

Additional Performance Improvement Methodologies

In addition to the PI methodology outlined above, other tools, techniques and methods are used to achieve improvement based on project goals and/or the nature of the problem under evaluation. Examples include Lean and Six Sigma via the Performance Improvement Program.

ANNUAL EVALUATION

Arbor Health Morton Hospital and the Board of Commissioners shall review the effectiveness of the Performance Improvement Plan at least annually in alignment with the calendar year. An annual evaluation is completed to identify components of the plan that require development, revision or deletion. Arbor Health and the Board of Commissioners also evaluate annually their contributions to the performance improvement and patient safety activities at Arbor Health. An annual report is submitted to the Board of Commissioners incorporated in the plan.

APPENDIX A

2020 Goals and Expectations

THE 2020 QAPI AND PATIENT SAFETY AREAS OF FOCUS

The QAPI and Patient Safety Plan is the framework for integration of departmental activities within the organization. Each department links to one of the main areas of focus identified for improvement. All departments develop annual objectives to address and support improvement of the care, treatment, service, and safety outcomes that align with Arbor Health's mission and annual QAPI and Patient Safety Areas of Focus. These objectives become the essence of the QAPI activities organization-wide.

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

1. Reduction of hospital acquired infections with a goal of zero infections
2. Increase hand-hygiene compliance rate
3. Reduction of unassisted patient falls with a goal of zero falls
4. Reduction of the use of Restraints/Seclusions
5. Reduction of hospital acquired pressure injuries with a goal of zero injuries
6. Integration of the Patient Experience in Quality and Safety processes (HCAHPS)
7. Monitor trends in patient safety events through Arbor Health's event reporting system and implement actions to reduce harm
8. Conduct Annual Culture of Safety Survey
9. Conduct Annual Clinical Service Contract Quality Evaluations
10. Integration of PDSA through departmental improvements

B. IMPROVE RESOURCE UTILIZATION

1. Improve patient flow throughput
2. Reduce readmissions

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

1. Centers for Medicare/Medicaid Services (CMS) Core Measures / eCQM Measures
2. Quality Health Indicator (QHI) Project
3. Washington State Hospital Association Quality Benchmarking System (QBS)
4. Medicare Beneficiary Quality Improvement Project (MBQIP)

PATIENT SAFETY FOCUS

As a patient safety focused organization, Arbor Health has been developed to promote and support practices and policies for providing quality patient care and minimizing adverse incidents in patient care and safety. This program will assist to reduce/prevent risk exposures to the patients, employees, medical staff, and visitors in our facility, maintain equipment, and conserve hospital property. The Patient Safety and performance improvement systems are mutually compatible and interdependent.

Periodically, Arbor Health will survey clinical staff and physicians regarding the Culture of Patient Safety at the hospital. The results from this survey provide hospital leadership with an understanding of the safety culture at the hospital which is the product of the individual and group beliefs, values, attitudes, perceptions, competencies, and patterns of behavior that determine the organization's commitment to quality and patient safety. Action plans are developed and implemented at the hospital and department/unit level to enhance the culture of safety in order to improve the quality and safety of care provided and improve the reporting of events to enrich the safety culture at the hospital and clinics.

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	2020 TARGET
Reduction of hospital acquired infections with a goal of zero infections		
CAUTI – Catheter Associated Urinary Tract Infection Infection involving any part of the urinary system, including urethra, bladder, ureters, and kidney associated with the use of a foley catheter.	Total # HAI Event(s) Rate per 1000 Pt. Days	5% Reduction from prior year Strive for “0” Events
CDIFF - Clostridium difficile Infection of the large intestine (colon) caused by the bacteria Clostridium difficile.		
CLABSI – Central Line Associated Blood Stream Infection A primary laboratory confirmed bloodstream infection in a patient with a central line at the time of (or within 48-hours prior to) the onset of symptoms and the infection is not related to an infection from another site.		
MRSA - Methicillin-resistant staphylococcus aureus Infections caused by specific bacteria that are resistant to commonly used antibiotics.		
SSI – Surgical Site Infection Infection involving any part of the urinary system, including urethra, bladder, ureters, and kidney.		
Reduction of hospital acquired infections with a goal of zero infections		
Hand Hygiene A simple yet effective way to prevent infections.	Total Compliance /Opportunities by Visual Audits with a Goal of >90%	90%
Reduction of hospital acquired infections with a goal of zero infections		
Unassisted Patient Fall A patient fall occurs when a patient falls or collapses and assistance from a healthcare provider does not occur. Unassisted falls are more likely than assisted falls to result in injury.	Number of unassisted patient falls reported / (Acute Inpatient Days + Swing Bed Patient Days) x 100	5% Reduction from prior year Strive for “0” Events
Reduction of the use of Restraints/Seclusions		
Restraints/Seclusion Use Episodes of seclusion and restraint, total time, and utilization rates were tracked. Seclusion and restraint are separate events, but they are documented as one occurrence.	Measurement criteria based on CMS Condition of Participation standards	5% Reduction from prior year Strive for “0” Events
Reduction of hospital acquired pressure injuries with a goal of zero injuries		
Hospital Acquired Pressure Ulcers Hospital-acquired pressure ulcers/injuries (HAPU/I) result in significant patient harm, including pain, expensive treatments, increased length of institutional stay and, in some patients, premature mortality. It is estimated each year more than 2.5 million patients in U.S. acute-care facilities suffer from pressure ulcer/injuries and 60,000 die from their complications3.	ALL or None Bundle Compliance with HIIN Evaluation Measure	5% Reduction from prior year Strive for “0” Events

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	2020 TARGET
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)		
ARBOR HEALTH - MORTON HOSPITAL		
Global Rating Overall	Rating of 9 – 10	≥50% Top Box
Recommend the Hospital	Definitely Yes	
Communications with Nurses Overall	Always	
Nurses treat with courtesy/respect	Always	
Nurses listen carefully to you	Always	
Nurses explain in way you understand	Always	
Response of Hospital Staff Overall	Always	
Call Button help soon as wanted it	Always	
Help toileting soon as you wanted	Always	
Communication with Doctors Overall	Always	
Doctors treat with courtesy/respect	Always	
Doctors listen carefully to you	Always	
Doctors explain in way you understand	Always	
Hospital Environment Overall	Always	
Cleanliness of hospital environment	Always	
Quietness of hospital environment	Always	
Communication About Medicines Overall	Always	
Tell you what new medicine was for	Always	
Staff describe medicine side effect	Always	
Discharge Information Overall	Yes	
Staff talk about help when you left	Yes	
Information regarding symptoms/problems to look for	Yes	
Care Transitions Overall	Strongly Agree	
Hospital staff took preference into account	Strongly Agree	
Good understanding managing health	Strongly Agree	
Understood purpose of taking medications	Strongly Agree	
ARBOR HEALTH - EMERGENCY DEPARTMENT		
ED Overall	Yes or Always	≥50% Top Box
Standard Arrival		
Waiting time before noticed arrival		
Helpfulness of first person		
Comfort of waiting area		
Waiting time to treatment area		
Waiting time to see doctor		
ED Nursing		

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	2020 TARGET
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)		
ARBOR HEALTH - EMERGENCY DEPARTMENT		
Nurses courtesy	Yes or Always	≥50% Top Box
Nurse took time to listen		
Nurses attention to your needs		
Nurses informative re treatments		
Nurses concern for privacy		
ED Doctors		
Doctors courtesy		
Doctor took time to listen		
Doctor informative re treatment		
Doctors concern for comfort		
ED Tests		
Courtesy of person who took blood		
Concern blood draw comfort		
Waiting time for radiology test		
Courtesy of radiology staff		
Concern for comfort radiology test		
Family or Friends		
Courtesy shown family/friends		
Adequacy of info to family/friends		
Let family/friend be with you		
Personal/Insurance Info		
Courtesy during pers/insur info		
Privacy during pers/insur info		
Ease giving pers/insur info		
Personal Issues		
Informed about delays		
Staff cared about you as person		
How well pain was controlled		
Information about home care		
Overall Assessment		
Overall rating ER care		
Likelihood of recommending		

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	2020 TARGET
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)		
ARBOR HEALTH - CLINICS		
Clinic Overall	Yes or Always	≥50% Top Box
Standard Access		
Ease of scheduling appointments		
Ease of contacting		
Std Moving Through Your Visit		
Information about delays		
Wait time at clinic		
Clinic Nurse/ Assistant		
Concern of nurse/asst for problem		
How well nurse/asst listen		
Clinic Care Provider		
CP explanations of prob/condition		
CP concern for questions/worries		
CP efforts to include in decisions		
Likelihood of recommending CP		
CP discuss treatments		
Personal Issues		
How well staff protect safety		
Our concern for patients' privacy		
Std Overall Assessment		
Staff worked together care for you		
Likelihood of recommending		
Monitor trends in patient safety events through Arbor Health’s event reporting system and implement actions to reduce harm		
Event Reporting Utilization Providing safe care to patients is a top priority, and Arbor Health rely heavily on the participation of the staff to enter patient safety concerns in order to gather data, identify trends and implement error reduction and prevention plans.	Total number events entered	10% Increase from prior year

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	2020 TARGET
Conduct Annual Culture of Safety Survey		
Annual Culture of Safety Survey As Arbor Health continually strive to improve patient safety and quality, hospital leadership increasingly recognizes the importance of establishing a culture of safety. Achieving such a culture requires leadership, physicians, and staff to understand their organizational values, beliefs, and norms about what is important and what attitudes and behaviors are expected and appropriate. The survey can be used to: - Raise staff awareness about patient safety, - Assess the current status of patient safety culture, - Identify strengths and areas for patient safety culture improvement, - Examine trends in patient safety culture change over time, - Evaluate the cultural impact of patient safety initiatives and interventions, and - Conduct comparisons within and across organizations.	80% Staff Participation	80%
Conduct Annual Clinical Service Contract Quality Evaluations		
Annual Clinical Service Contract Quality Evaluations According to CMS the hospital's governing body must ensure that contracted services comply with all applicable conditions of participation and standards. Any contract service that provides clinical care for patients presents a unique risk management challenge for a hospital and its medical staff. The best strategy to ensure that clinical services provided through a contract service do not increase potential risks to the hospital, the medical provider, or the patient is to review the service with a focus on risk management and risk prevention.	100% Annual Compliance	100%
Integration of PDSA through departmental improvements		
PDSA Integration PDSA is an analytical process that considers the process as is, analyzes it further, revises it as appropriate and then repeats the cycle for continuous improvement. The PDSA cycle includes internal and external customers into considers, as they can provide feedback about is the change plan works or not. The customer defines quality and hence it is appropriate to involve them in the process, to increase acceptance of the end product.	Continuous Improvement from prior year	Department Specific

B. IMPROVE RESOURCE UTILIZATION

METRIC	MEASUREMENT	2020 TARGET
Improve Patient Flow-Throughput		
Efficient patient flow will increase your healthcare facilities revenue and more importantly keep Arbor Health patients satisfied and safer.		
PROPOSED STRATEGIES		
- Align Reporting with Department Heads When you create a consistent reporting framework between your department heads, with your patients in mind, patient flow will become optimized. - Create a Culture of Accountability Hospital culture can impact patient care. Its values, mission and practices must be consistent with all employees. - Gain Executive Alliance and Integration for Improving Patient Flow Keeping in line with the findings above, the approach taken by senior managers and leaders does appear to matter. It can potentially add to the risk of harm when departments heads are not supportive of staff and hospital culture. - Explore Different Staffing Models Match capacity and demand. When the organization know its capacity constraints and demand patterns it can make changes to align with demand. When both are matched, delays in care can be reduced. - Use Technology to Improve Patient Care and Safety Patient flow is attainable when healthcare facilities have the right tools for collaboration and measurement. The high visibility with clinician-facing boards allows staff and patients real-time awareness with a HIPAA compliant waiting room whiteboard. - Instill the "Patient Flow Standard" and the 4 Hour Recommendation The 4-hour time frame referenced in the Standard is a guideline for hospitals to use as a reasonable goal in its boarding time - the time when a patient is held in the emergency department to the time they are admitted or transferred. - Train Staff on Time Management One of the most effective skills to have for healthcare professionals is time management. Understanding how to plan and control your time spent on daily tasks is crucial to patient safety. - Tying Maintenance and Operations to the Patient Experience Patient satisfaction is a top priority for health care facilities. Communicate more effectively between your departments - from maintenance, housekeeping and more. A patients' experience and satisfaction can depend largely on a task from the maintenance department. Think lighting, doors or broken equipment.		
Reduce Readmissions		
Readmission w/in 30 Days-All Cause Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions.	Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions / Total inpatient discharges (excluding discharges due to death) x 100	20% Reduction from prior year
% Return ER Visits w/in 72 hours Number of Emergency Department patients treated and released previously, then readmitted with the same or a similar diagnosis within 72 hours of initial release.	(Number of ER patients returning with same or similar diagnosis to the ER within 72 hrs of their initial visit / Total ER visits) x 100	

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Quality Health Indicator (QHi) Project <i>The Quality Health Indicator (QHi) Project is an economical, Web-based quality benchmarking program specifically designed, developed and driven by small rural hospitals and rural health clinics to compare selected quality measures with other similar hospitals and clinics.</i>		
CLINICAL QUALITY		
Healthcare Associated Infections per 100 Inpatient Days - BCBSKS CAH *Core Measure*	[Number of Healthcare Associated Infections that occurred during the month / (Acute Inpatient Days + Swing Bed Patient Days)] x 100	5% Reduction from prior year Strive for "0" Events
Unassisted Patient Falls per 100 Inpatient Days *Core Measure*	[Number of unassisted patient falls reported / (Acute Inpatient Days + Swing Bed Patient Days)] x 100	
Readmission within 30 days (All Cause) Rate- KHC HIIN & BCBSKS CAH & BCBSKS PPS *Core Measure*	[Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions / Total inpatient discharges (excluding discharges due to death)] x 100	20% Reduction from prior year
Percentage of Return ER Visits within 72 hours with same/similar diagnosis *Core Measure*	(Number of ER patients returning with same or similar diagnosis to the ER within 72 hrs of their initial visit / Total ER visits) x 100	
Total ED Transfers	<i>All of transfers from an ED to another healthcare facility</i>	No Target
EDTC-1 2020: Home Medications	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Home Medications is documented and communicated to the receiving hospital in a timely manner</i>	100%
EDTC-2 2020: Allergies and/or Reactions	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Allergies and/or Reactions is documented and communicated to the receiving hospital in a timely manner</i>	
EDTC-3 2020: Medications Administered in ED	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Medications Administered in ED is documented and communicated to the receiving hospital in a timely manner</i>	

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Quality Health Indicator (QHi) Project <i>The Quality Health Indicator (QHi) Project is an economical, Web-based quality benchmarking program specifically designed, developed and driven by small rural hospitals and rural health clinics to compare selected quality measures with other similar hospitals and clinics.</i>		
CLINICAL QUALITY		
EDTC-4 2020: ED Provider Note	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that ED Provider Note is documented and communicated to the receiving hospital in a timely manner</i>	100%
EDTC-5 2020: Mental Status/Orientation Assessment	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Mental Status/Orientation Assessment is documented and communicated to the receiving hospital in a timely manner</i>	
EDTC-6 2020: Reason for Transfer and/or Plan of Care	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Reason for Transfer and/or Plan of Care is documented and communicated to the receiving hospital in a timely manner</i>	
EDTC-7 2020: Tests and/or Procedures Performed	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Tests and/or Procedures Performed is documented and communicated to the receiving hospital in a timely manner</i>	
EDTC-8 2020: Tests and/or Procedure Results	<i>Number of patients transferred to another healthcare facility whose medical record documentation indicated that Tests and/or Procedure Results is documented and communicated to the receiving hospital in a timely manner</i>	
EDTC-All 2020: EDTC All or None Composite	<i>All EDTC elements were documented and communicated</i>	

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Quality Health Indicator (QHi) Project <i>The Quality Health Indicator (QHi) Project is an economical, Web-based quality benchmarking program specifically designed, developed and driven by small rural hospitals and rural health clinics to compare selected quality measures with other similar hospitals and clinics.</i>		
CLINICAL QUALITY		
3-Hour Sepsis Bundle - BCBSKS CAH & BCBSKS PPS	<i>(Number of identified sepsis patients who receive all elements of the bundle / Number of identified inpatient and ED sepsis patients) x 100</i>	95%
Harm Events Related to Workplace Violence - KHC HIIN	<i>[Number of associated harm events related to workplace violence / Number of full-time equivalents (FTEs)] x 100</i>	5% Reduction from prior year
STROKE - Median Arrival Time to CT Performed	<i>Median of individual patients' time (in minutes) between hospital arrival and CT</i>	≤ 45 minutes
STROKE - Median Arrival Time to CT Interpretation	<i>Median of individual patients' time (in minutes) between hospital arrival and interpretation of CT</i>	≤ 60 minutes
STROKE - Median Arrival Time to Administration of Thrombolytic	<i>Median of individual patients' time (in minutes) between hospital arrival and receiving thrombolytic</i>	≤ 75 minutes
Washington State Hospital Association (WSHA) - QBS <i>Since 2005, WSHA's Patient Safety Program has provided a forum for urban and rural health care providers to share best practices and address issues of safety and quality, improving health care delivery and making care better and safer for all. The goal of this award-winning program is to help ensure the right care is delivered, at the right time, to every patient, every time .</i>		
ANTIMICROBIAL STEWARDSHIP		
<i>Antimicrobial stewardship. Antimicrobial stewardship is a coordinated program that promotes the appropriate use of antimicrobials (including antibiotics), improves patient outcomes, reduces microbial resistance, and decreases the spread of infections caused by multidrug-resistant organisms.</i>		
Days of Therapy Fluoroquin Fluoroquinolones are medicines that kill bacteria or prevent their growth. Purpose Fluoroquinolones are antimicrobials, medicines used to treat infections caused by microorganisms. Physicians prescribe these drugs for bacterial infections in many parts of the body. For example, they are used to treat bone and joint infections, skin infections, urinary tract infections, inflammation of the prostate, serious ear infections, bronchitis , pneumonia, tuberculosis, some sexually transmitted diseases (STDs), and some infections that affect people with AIDS .	(Total Number of Days of an acute Inpatients receiving Fluoroquin Therapy / Total acute patient days) x 1000	≤ 65.58 20% Reduction from Baseline

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Washington State Hospital Association (WSHA) - QBS <i>Since 2005, WSHA's Patient Safety Program has provided a forum for urban and rural health care providers to share best practices and address issues of safety and quality, improving health care delivery and making care better and safer for all. The goal of this award-winning program is to help ensure the right care is delivered, at the right time, to every patient, every time</i>		
ANTIMICROBIAL STEWARDSHIP <i>Antimicrobial stewardship. Antimicrobial stewardship is a coordinated program that promotes the appropriate use of antimicrobials (including antibiotics), improves patient outcomes, reduces microbial resistance, and decreases the spread of infections caused by multidrug-resistant organisms.</i>		
Days of Therapy Clindamycin Clindamycin is used to treat certain types of bacterial infections, including infections of the lungs, skin, blood, female reproductive organs, and internal organs. Clindamycin is in a class of medications called lincomycin antibiotics. It works by slowing or stopping the growth of bacteria. Antibiotics such as clindamycin will not work for colds, flu, or other viral infections. Using antibiotics when they are not needed increases your risk of getting an infection later that resists antibiotic treatment.	(Total Number of Days of an acute Inpatients receiving Clindamycin Therapy / Total acute patient days) x 1000	≤ 15.71 20% Reduction from Baseline
Days of Therapy Penicillin Penicillins are a group of antibacterial drugs that attack a wide range of bacteria. Drugs in the penicillin class work by indirectly bursting bacterial cell walls. They do this by acting directly on peptidoglycans, which play an essential structural role in bacterial cells. Peptidoglycans create a mesh-like structure around the plasma membrane of bacterial cells, which increases the strength of the cell walls and prevents external fluids and particles from entering the cell. When a bacterium multiplies, small holes open up in its cell walls as the cells divide. Newly-produced peptidoglycans then fill these holes to reconstruct the walls. Penicillins block the protein struts that link the peptidoglycans together. This prevents the bacterium from closing the holes in its cell walls. As the water concentration of the surrounding fluid is higher than that inside the bacterium, water rushes through the holes into the cell and the bacterium bursts.	(Total Number of Days of an acute Inpatients receiving Penicillin Therapy / Total acute patient days) x 1000	≤ 89.06 20% Reduction from Baseline

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Washington State Hospital Association (WSHA) - QBS <i>Since 2005, WSHA's Patient Safety Program has provided a forum for urban and rural health care providers to share best practices and address issues of safety and quality, improving health care delivery and making care better and safer for all. The goal of this award-winning program is to help ensure the right care is delivered, at the right time, to every patient, every time</i>		
ANTIMICROBIAL STEWARDSHIP <i>Antimicrobial stewardship. Antimicrobial stewardship is a coordinated program that promotes the appropriate use of antimicrobials (including antibiotics), improves patient outcomes, reduces microbial resistance, and decreases the spread of infections caused by multidrug-resistant organisms.</i>		
Days of Therapy Cephalosporins Cephalosporins are bactericidal drugs, meaning they kill bacteria directly. They do this by interfering with how bacteria build their cell walls. Cephalosporins are grouped into five generations based on when the drugs were developed. In general, each generation is effective against certain types of bacteria.	(Total Number of Days of an acute Inpatients receiving Cephalosporins Therapy / Total acute patient days) x 1000	≤ 90.02 20% Reduction from Baseline
Days of Therapy Carbapenems Carbapenems are beta-lactam antibiotics which have a broad spectrum of activity against many Gram-positive and Gram-negative aerobic and anaerobic organisms and are used for treating life-threatening serious infections not responding to standard antibiotic therapy.	(Total Number of Days of an acute Inpatients receiving Carbapenems Therapy / Total acute patient days) x 1000	≤ 18.26 20% Reduction from Baseline
Overall	(Total days of therapy for Fluoroquinolones + Total days of therapy for Clindamycin + Total days of therapy for Penicillins + Total days of therapy for Cephalosporins + Total days of therapy for Carbapenems / Total number of patient days) x 1000	≤ 278.63 20% Reduction from Baseline
ADVERSE DRUG REACTION (ADE) <i>An adverse drug reaction is a harmful reaction to a medicine given at the correct dose. The reaction can start soon after you take the medicine, or up to 2 weeks after you stop. An adverse drug reaction can cause serious conditions such toxic epidermal necrolysis (TEN) and anaphylaxis. TEN can cause severe skin damage. Anaphylaxis is a sudden, life-threatening reaction that needs immediate treatment. Ask your healthcare provider for more information on TEN, anaphylaxis, and other serious reactions.</i>		
ADE - Anticoagulant Safety - Option 1: INR>5 rate	(Number of patient events with an INR>5 after any warfarin administration / Number of patients cared for in an inpatient area on warfarin)	$\leq 1.97\%$ 20% Reduction from Baseline

C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS

METRIC	MEASUREMENT	2020 TARGET
Washington State Hospital Association (WSHA) - QBS <i>Since 2005, WSHA's Patient Safety Program has provided a forum for urban and rural health care providers to share best practices and address issues of safety and quality, improving health care delivery and making care better and safer for all. The goal of this award-winning program is to help ensure the right care is delivered, at the right time, to every patient, every time</i>		
ADVERSE DRUG REACTION (ADE) <i>An adverse drug reaction is a harmful reaction to a medicine given at the correct dose. The reaction can start soon after you take the medicine, or up to 2 weeks after you stop. An adverse drug reaction can cause serious conditions such toxic epidermal necrolysis (TEN) and anaphylaxis. TEN can cause severe skin damage. Anaphylaxis is a sudden, life-threatening reaction that needs immediate treatment. Ask your healthcare provider for more information on TEN, anaphylaxis, and other serious reactions.</i>		
ADE - Glycemic Management - Option 1: BG<50 rate	(Number of patient BG <50 mg/dl after any hypoglycemic agent administration / Number of patients receiving hypoglycemic agents)	$\leq 4.04\%$ 20% Reduction from Baselin
ADE - Anticoagulant Safety - Option 1: Naloxene rate	(Number of patients who received naloxone / Number of patients receiving opioids)	$\leq 0.351\%$ 20% Reduction from Baseline
Screening for Clinical Depression and Follow-up Plan - QBS		
Percent of patients screened and follow-up plan documented	(Number of Medicaid enrollees screened for depression and follow-up plan documented / Number of Medicaid enrollees who visited the hospital)	98%

APPENDIX B

2019 Evaluation

A. IMPROVE PATIENT SAFETY, QUALITY, AND SERVICE

METRIC	MEASUREMENT	TARGET	2019
Reduction of hospital acquired infections with a goal of zero infections			
CAUTI	Total # HAI Event(s) Rate per 1000 Pt. Days	0	1
CDIFF		0	0.2
CLABSI		0	0
MRSA		0	0
SSI		0	0
Increase Hand Hygiene Compliance			
Hand Hygiene Rate	Total Compliance/	95%	75.4
Reduction of unassisted patient falls with a goal of zero falls			
Unassisted Patient	Number of unassisted	0	0.21
Reduction of the use of Restraints/Seclusions			
Restraints/Seclusion	Measurement criteria	0	No Data
Reduction of hospital acquired pressure injuries with a goal of zero injuries			
Hospital Acquired Pressure Ulcers Rate	ALL or None Bundle Compliance with HIIN Evaluation Measure	100%	No Data
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
ARBOR HEALTH - MORTON HOSPITAL			
Global Rating Overall	Rating of 9 – 10	≥50% Top Box	32
Recommend the Hospital	Definitely Yes		64
Communications with Nurses Overall	Always		42
Nurses treat with courtesy/respect	Always		6
Nurses listen carefully to you	Always		82
Nurses explain in way you understand	Always		44

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
Response of Hospital Staff Overall	<i>Always</i>	≥50% Top Box	58
Call Button help soon as wanted it	<i>Always</i>		45
Help toileting soon as you wanted	<i>Always</i>		70
Communication with Doctors Overall	<i>Always</i>		86
Doctors treat with courtesy/respect	<i>Always</i>		66
Doctors listen carefully to you	<i>Always</i>		
Doctors explain in way you understand	<i>Always</i>		99
Hospital Environment Overall	<i>Always</i>		28
Cleanliness of hospital environment	<i>Always</i>		85
Quietness of hospital environment	<i>Always</i>		7
Communication About Medicines Overall	<i>Always</i>		97
Tell you what new medicine was for	<i>Always</i>		92
Staff describe medicine side effect	<i>Always</i>		96
Discharge Information Overall	<i>Yes</i>		58
Staff talk about help when you left	<i>Yes</i>		55
Information regarding symptoms/problems to look for	<i>Yes</i>		60
Care Transitions Overall	<i>Strongly Agree</i>		53
Hospital staff took preference into account	<i>Strongly Agree</i>		14
Good understanding managing health	<i>Strongly Agree</i>		89
Understood purpose of taking medications	<i>Strongly Agree</i>		47

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
ARBOR HEALTH - EMERGENCY DEPARTMENT			
ED Overall	Yes	≥50% Top Box	58.6
Standard Arrival	Yes		52.4
Waiting time before noticed arrival	Yes		67.6
Helpfulness of first person	Yes		61.9
Comfort of waiting area	Yes		33.5
Waiting time to treatment area	Yes		52.7
Waiting time to see doctor	Yes		44.2
ED Nursing	Yes		66.7
Nurses courtesy	Yes		69.8
Nurse took time to listen	Yes		68.6
Nurses attention to your needs	Yes		66.3
Nurses informative re treatments	Yes		63.6
Nurses concern for privacy	Yes		65.3
ED Doctors	Yes		58.7
Doctors courtesy	Yes		60.7
Doctor took time to listen	Yes		61.3
Doctor informative re treatment	Yes		59
Doctors concern for comfort	Yes		53.9
ED Tests	Yes		56.4
Courtesy of person who took blood	Yes		55.4
Concern blood draw comfort	Yes		57.3

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
Waiting time for radiology test	Yes		47.2
Courtesy of radiology staff	Yes		65.9
Concern for comfort radiology test	Yes		56.5
Family or Friends	Yes		59.9
Courtesy shown family/friends	Yes		61.1
Adequacy of info to family/friends	Yes		55.6
Let family/friend be with you	Yes		62.9
Personal/Insurance Info	Yes		62.4
Courtesy during pers/insur info	Yes		67.5
Privacy during pers/insur info	Yes		61.7
Ease giving pers/insur info	Yes		57.7
Personal Issues	Yes		55.9
Informed about delays	Yes		53.5
Staff cared about you as person	Yes		60.5
How well pain was controlled	Yes		51
Information about home care	Yes		57.7
Overall Assessment	Yes		55
Overall rating ER care	Yes		57.5
Likelihood of recommending	Yes		52.5

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
ARBOR HEALTH - CLINICS			
MOSSYROCK			
Clinic Overall	Yes	≥50% Top Box	71
Standard Access	Yes		66.8
Ease of scheduling appointments	Yes		67.8
Ease of contacting	Yes		65.8
Std Moving Through Your Visit	Yes		56.2
Information about delays	Yes		57
Wait time at clinic	Yes		55.4
Clinic Nurse/	Yes		74.4
Concern of nurse/asst for problem	Yes		69.5
How well nurse/asst listen	Yes		79.3
Clinic Care Provider	Yes		75.6
CP explanations of prob/condition	Yes		76.1
CP concern for questions/worries	Yes		76.4
CP efforts to include in decisions	Yes		76.3
Likelihood of recommending CP	Yes		77.1
CP discuss treatments	Yes		72
Personal Issues	Yes		74.2
How well staff protect safety	Yes		72.4
Our concern for patients' privacy	Yes		70.6
Std Overall Assessment	Yes		73.1
Staff worked together care for you	Yes		75.2
Likelihood of recommending	Yes		71.1

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
ARBOR HEALTH - CLINICS			
RANDLE			
Clinic Overall	Yes	≥50% Top Box	71
Standard Access	Yes		66.8
Ease of scheduling appointments	Yes		67.8
Ease of contacting	Yes		65.8
Std Moving Through Your Visit	Yes		56.2
Information about delays	Yes		57
Wait time at clinic	Yes		55.4
Clinic Nurse/Assistant	Yes		74.4
Concern of nurse/asst for problem	Yes		69.5
How well nurse/asst listen	Yes		79.3
Clinic Care Provider	Yes		75.6
CP explanations of prob/condition	Yes		76.1
CP concern for questions/worries	Yes		76.4
CP efforts to include in decisions	Yes		76.3
Likelihood of recommending CP	Yes		77.1
CP discuss treatments	Yes		72
Personal Issues	Yes		72.4
How well staff protect safety	Yes		74.2
Our concern for patients' privacy	Yes		70.6
Std Overall Assessment	Yes		73.1
Staff worked together care for you	Yes		75.2
Likelihood of recommending	Yes		71.1

METRIC	MEASUREMENT	TARGET	2019
Integration of the Patient Experience in Quality and Safety processes (HCAHPS)			
ARBOR HEALTH - CLINICS			
SPECIALTY			
Clinic Overall	Yes	≥50% Top Box	71
Standard Access	Yes		66.8
Ease of scheduling appointments	Yes		67.8
Ease of contacting	Yes		65.8
Std Moving Through Your Visit	Yes		56.2
Information about delays	Yes		57
Wait time at clinic	Yes		55.4
Clinic Nurse/Assistant	Yes		74.4
Concern of nurse/asst for problem	Yes		69.5
How well nurse/asst listen	Yes		79.3
Clinic Care Provider	Yes		75.6
CP explanations of prob/condition	Yes		76.1
CP concern for questions/worries	Yes		76.4
CP efforts to include in decisions	Yes		76.3
Likelihood of recommending CP	Yes		77.1
CP discuss treatments	Yes		72
Personal Issues	Yes		72.4
How well staff protect safety	Yes		74.2
Our concern for patients' privacy	Yes		70.6
Std Overall Assessment	Yes		73.1
Staff worked together care for you	Yes		75.2
Likelihood of recommending	Yes		71.1

METRIC	MEASUREMENT	TARGET	2019
Monitor trends in patient safety events through Arbor Health's event reporting system and implement actions to reduce			
Event Reporting Utilization	Total number events entered	10% Increase from prior year	320
B. IMPROVE RESOURCE UTILIZATION			
Reduce Readmissions			
Readmission w/in 30 Days-All Cause	Inpatients returning as an acute care inpatient within 30 days of date of an inpatient discharge, to any facility, with the exception of certain planned admissions / Total inpatient discharges (excluding discharges due to death) x 100	20% Reduction from prior year	2.1
% Return ER Visits w/in 72 hours	(Number of ER patients returning with same or similar diagnosis to the ER within 72 hrs of their initial visit / Total ER visits) x 100	20% Reduction from prior year	2.4
C. MONITOR EXTERNAL REGULATORY, ACCREDITATION, AND COLLABORATIVE INDICATORS			
Clinical Quality - QHi			
Total ED Transfers	All of transfers from an ED to another healthcare facility	No Target	186
Outpatient Emergency Department Transfer Communication (EDTC-SUB 1 Administrative Communication) - (KS MBQIP 2019-2020)	(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility prior to transfer / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100	100%	95.2

METRIC	MEASUREMENT	TARGET	2019
Clinical Quality - QHI			
Outpatient Emergency Department Transfer Communication (EDTC-SUB 2 Patient Information) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of departure / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	95.2
Outpatient Emergency Department Transfer Communication (EDTC-SUB 3 Vital Signs) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of discharge / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	97.8
Outpatient Emergency Department Transfer Communication (EDTC-SUB 4 Medication Information) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of departure / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	95.2

METRIC	MEASUREMENT	TARGET	2019
Clinical Quality - QHI			
Outpatient Emergency Department Transfer Communication (EDTC-SUB 5 Physician or Practitioner Generated Information) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of discharge / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	100.0
Outpatient Emergency Department Transfer Communication (EDTC-SUB 6 Nurse Generated Information) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of departure / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	100.0
Outpatient Emergency Department Transfer Communication (EDTC-SUB 7 Procedures and Tests) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the elements were communicated to the receiving facility within 60 minutes of discharge / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	98.4

METRIC	MEASUREMENT	TARGET	2019
Clinical Quality - QHI			
Outpatient Emergency Department Transfer Communication (All EDTC) - (KS MBQIP 2019-2020)	<i>(Number of patients transferred to another healthcare facility whose medical record documentation indicated that all of the relevant elements for each of the seven sub-measures were communicated to the receiving hospital within 60 minutes of discharge / All or Sampling size (limit 15) of emergency department patients who are transferred to another healthcare facility) x 100</i>	100%	86.6
3-Hour Sepsis Bundle - BCBSKS CAH & BCBSKS PPS	<i>(Number of identified sepsis patients who receive all elements of the bundle / Number of identified inpatient and ED sepsis patients) x 100</i>	95%	64%
Harm Events Related to Workplace Violence - KHC HIIN	<i>[Number of associated harm events related to workplace violence / Number of full-time equivalents (FTEs)] x 100</i>	5% Reduction from prior year	0.41
STROKE - Median Arrival Time to CT Performed	<i>Median of individual patients' time (in minutes) between hospital arrival and CT</i>	≤ 45 minutes	39.8
STROKE - Median Arrival Time to CT Interpretation	<i>Median of individual patients' time (in minutes) between hospital arrival and interpretation of CT</i>	≤ 60 minutes	61.3
STROKE - Median Arrival Time to Administration of Thrombolytic	<i>Median of individual patients' time (in minutes) between hospital arrival and receiving thrombolytic</i>	≤ 75 minutes	75.5
Antimicrobial Stewardship - QBS			
Fluoroquinolones	<i>(Total days of therapy for Fluoroquinolones / Total number of patient days) x 1000</i>	≤ 65.58 20% Reduction from Baseline	32.1

METRIC	MEASUREMENT	TARGET	2019
Antimicrobial Stewardship - QBS			
Clindamycin	<i>(Total days of therapy for Clindamycin / Total number of patient days) x 1000</i>	≤ 15.71 20% Reduction from Baseline	6.8
Penicillins	<i>(Total days of therapy for Penicillins / Total number of patient days) x 1000</i>	≤ 89.06 20% Reduction from Baseline	28.6
Cephalosporins	<i>(Total days of therapy for Cephalosporins / Total number of patient days) x 1000</i>	≤ 90.02 20% Reduction from Baseline	40.2
Carbapenems	<i>(Total days of therapy for Carbapenems / Total number of patient days) x 1000</i>	≤ 18.26 20% Reduction from Baseline	1.9
Overall	<i>(Total days of therapy for Fluoroquinolones + Total days of therapy for Clindamycin + Total days of therapy for Penicillins +</i>	≤ 278.63 20% Reduction from Baseline	109.6
Adverse Drug Events (ADE) - QBS			
ADE - Anticoagulant Safety - Option 1: INR>5 rate	<i>(Number of patient events with an INR>5 after any warfarin administration / Number of patients cared for in an inpatient area on warfarin)</i>	≤ 1.97% 20% Reduction from Baseline	0%
ADE - Glycemic Management - Option 1: BG<50 rate	<i>(Number of patient BG <50 mg/dl after any hypoglycemic agent administration / Number of patients receiving hypoglycemic agents)</i>	≤ 4.04% 20% Reduction from Baseline	0.82%
ADE - Anticoagulant Safety - Option 1: Naloxene rate	<i>(Number of patients who received naloxone / Number of patients receiving opioids)</i>	≤ 0.351% 20% Reduction from Baseline	0%

METRIC	MEASUREMENT	TARGET	2019
Screening for Clinical Depression and Follow-up Plan - QBS			
Percent of patients screened and follow-up plan documented	(Number of Medicaid enrollees screened for depression and follow-up plan documented / Number of Medicaid enrollees who visited the hospital)	98%	63.71%



2020 RISK MANAGEMENT PLAN

Table of Contents

Content	Page
Our Organization	3
Purpose	3
Mission, Vision, Values	3
Structure and Leadership	4
Plan Components	4
Position and Committee Responsibilities	4
Risk Management	4
President and Superintendent	5
Chief Financial Officer (CFO)	5
Chief Nursing and Quality Officer (CNO/CQO)	5
Clinical Informatics Team	6
Compliance and HIPAA Officer	6
Human Resources Director	7
Facilities Manager	7
Safety Officer	8
Medical Staff	8
Pharmacist	8
Infection Prevention and Control	9
Employee Health	9
Clinical Education	9
Emergency Department	9
Case Management	9
Safe Patient Handling Committee	9
Supply Chain Management	10
Information Technology	10
Event Reporting	10
Mandatory State Reporting of Events	11
Culture of Patient Safety	11
Potential Legal Action	11
Annual Evaluation	11
Implementation of Actions and Dissemination of Information	12

OUR ORGANIZATION

Lewis County Public Hospital District No. 1 dba Arbor Health is located in eastern Lewis County, Washington surrounded by several National Forests and very close to Mt. Rainier National Park.

The District operates Arbor Health Morton Hospital, a 25-bed, 501c(3) Critical Access Hospital (CAH) providing a range of services including inpatient care, 24-hour emergency services, primary and specialty care, laboratory, pharmacy, diagnostic imaging, surgery, physical therapy and sleep lab.

The purpose of a public hospital district under RCW 70.44 includes, among other factors, to provide hospital services and other health care services for the residents of the District and others.

PURPOSE

The purpose of this plan is to describe Arbor Health's method to identify, prevent and reduce the occurrences which put people and the organization at risk for harm and financial loss. All departments and clinics participate in patient safety and loss prevention activities.

MISSION, VISION, VALUES

Our Vision

*To provide accessible,
quality healthcare*

Our Mission

To foster trust
and nurture a
healthy community

Core Values

- One team, one mission.
- Go out of your way, to brighten someone's day.
- Own it, embrace it.
 - Care like crazy.
- Motivate, elevate, appreciate.
 - Know the way, show the way, ease the way.
- Find joy along the way.

STRUCTURE AND LEADERSHIP

The Board of Commissioners provides oversight and direction for the Risk Management Plan. The members of the Board receive at least semi-annual reports on risk management activities. They also receive orientation in issues necessary to meet their responsibilities in risk management oversight.

Risk management activities are delegated to the President and Superintendent, Chief Financial Officer (CFO), Chief Nursing/Quality Officer (CNO/CQO), Chief Medical Officer (CMO), and Compliance Officer who have overall responsibility for the implementation and operation of the Risk Management Plan.

PLAN COMPONENTS

Risk management is a planned and systematic process to reduce and/or eliminate the probability that losses will occur at Hospital District No. 1 of Lewis County, dba Arbor Health. It consists of three distinct interrelated areas:

1. *Risk identification and loss prevention:*

These activities include the identification and correction of situations or problems which could potentially result in events or incidents of liability for the District, its employees, physicians and other health care providers.

2. *Loss reduction:*

Loss reduction includes those steps taken after an event or incident occurs to minimize the adverse impact on the patient, the District, or its staff.

3. *Risk financing:*

This involves the mechanisms utilized to ensure adequate financial resources are available to cover any potential liability situation.

POSITION AND COMMITTEE RESPONSIBILITIES

To be most effective in the healthcare setting, risk management involves the participation of every employee. The following positions and committees perform specific activities related to risk identification and loss prevention, loss reduction, and risk financing functions.

RISK MANAGEMENT

Risk Management is a coordinated system-wide process which identifies, prevents, or minimizes events that may present potential liability to our patients, visitors, volunteers, and staff. The Risk Management Department strives to attain the ultimate goals of a safe environment and quality patient care.

While conducting event investigations, the Risk Management Department makes the determination for what tools will be used to complete the investigation, including what regulatory reporting is required (i.e. Serious Event, Root Cause Analysis and/or Failure Mode and Effects Analysis).

The Risk Management Department also provides a wide variety of education to minimize exposure to the facility and its employees. Topics include but are not limited to Disclosure, Documentation and Informed Consent.

The Risk Management Department is available to all physicians, staff/employees for consultations, advice and help in dealing with difficult patient/visitor issues.

PRESIDENT AND SUPERINTENDENT

In conjunction with the Chief Medical Officer and Chief Nursing/Quality Officer, this position reviews and manages the flow of information pertaining to the Risk Management Plan.

The President and Superintendent procures adequate liability insurance coverage at reasonable premiums to cover losses. The District participates in professional and general liability insurance programs that provide coverage for medical malpractice and other types of negligence claims. The President and Superintendent also effectively negotiates and uses indemnity provisions in District contracts to transfer liability risks to other parties whenever possible.

When necessary, legal advice is sought to advise the facility's administration, clinical and other staff in an attempt to minimize risk and loss and to assure that the organization and its policies, procedures and practices remain in compliance with applicable state and federal laws, rules and regulations. The President and Superintendent serves as the focal point of coordination for activities concerning risk management, relying upon input from each of the positions/areas outlined in this plan.

The President and Superintendent procures and administers the District's malpractice insurance policies.

CHIEF FINANCIAL OFFICER (CFO)

Directs and coordinates district activities concerned with the financial administration, general accounting, patient business services, data processing, admission, medical records, health care review, resident activities, and statistical reporting. Provides necessary data and information for risk management purposes as required.

CHIEF NURSING AND QUALITY OFFICER (CNO/CQO)

In conjunction with the President and Superintendent and CMO, this position reviews and manages the flow of information pertaining to the Risk Management Plan.

Directs the following activities related to evaluating the quality of care provided and reports areas of potential risk to the President and Superintendent, QI Oversight Committee, Board of Commissioners, other appropriate staff or regulatory agency, for corrective action and improvement purposes:

- Quality Improvement Oversight Committee
- Quality Council
- Infection Prevention Committee (in conjunction with the Infection Prevention Nurse Coordinator and Epidemiologist)
- Environment of Care Committee
- Life Safety Committee
- Safety Committee
- Safe Patient Handling Committee (in conjunction with Safe Patient Handling Coordinator)
- Critical Access Hospital Evaluation (in conjunction with the President and Superintendent and CFO)
- Plans of Correction and Progress Reports for DOH surveys (in conjunction with the President and Superintendent and CFO)
- Complaints
- Quality Management Memos (incident reports)
- Adverse Events
- Restraint use
- Quality Assurance Performance Improvement (QAPI) Plan
- Risk Management Plan (in conjunction with the President and Superintendent and CMO)
- Peer Review
- Ongoing Professional Practice Evaluation (in conjunction with the Credentials Coordinator)
- Patient Satisfaction
- Hospital Inpatient and Outpatient Quality Reporting to Center for Medicare and Medicaid Services (CMS)

- Rural Health Clinic annual program evaluations
- Washington Rural Healthcare Collaborative (WRHC) quality measures
- Nursing documentation review quality Assurance Performance Improvement (QAPI) for District owned Rural clinics
- Rural Health Clinic annual program evaluations
- Washington Rural Healthcare Collaborative (WRHC) quality measures
- Nursing documentation review
- WSHA quality measures & projects
- Washington Department of Health Medicare Beneficiary quality Improvement program (MBQIP)
- Quality Improvement and risk management education

The CNO/CQO directs Nursing Services, Case management, Surgical/Sterile Processing/Outpatient Services, Emergency Room, Wound Care, Nurse education, quality, Infection Prevention, Laboratory, and Imaging regarding issues related to quality and safety of clinical practice. This includes continual design and implementation of strategies to improve patient Care which are in alignment with research evidence based medicine. All areas perform risk management duties that help support safe operation of clinical units and coordinate with other departments, such as Central Supply, clinics and Anesthesiology. They insure supplies, Surgical materials and special equipment are Sterile and ordered in advance. They also insure data regarding Surgical Care, Infection Prevention, trauma, utilization, and other measures are made available to The quality Manager and/or CNO/CQO. This data is aggregated into trending information for risk analysis and assessment by The quality Manager and CNO/CQO.

The CNO/CQO serves on The QI Oversight Committee and provides information regarding risk management activities. This Committee also receives reports from The quality Manager on quality Improvement Assurance and Improvement activities, medical staff peer reviews, on-going professional practice evaluations, hospital quality dashboard reports, progress on patient safety measures, employee satisfaction, patient satisfaction, and other quality initiatives. The QI Oversight Committee reports quarterly to The Board of Commissioners.

CLINICAL INFORMATICS TEAM

The Nursing Informatics Team is nursing's primary resource for designing, building, and maintaining of the electronic health record (EHR), as well as training nursing staff on its use. The team also modifies and tests clinical applications for efficiency and effectiveness and identifies and communicates areas of potential risk to the Clinical Informatics Supervisor. In conjunction with the Clinical Informatics Supervisor, assures the clinical documentation system effectively supports and enhances the clinical process.

The Clinical Informatics Supervisor directs the Coordinator and works with the Cerner team to develop and implement EHR updates or changes. The Supervisor coordinates the collection and analysis of metrics that relate to benefits realization and the return on investment in the clinical information system. This position analyzes data and makes changes in coordination with other departments. The EHR is a legal document that can be used by an injured patient in legal proceedings or in other legal matters.

COMPLIANCE AND HIPAA OFFICER

The Compliance Officer is responsible for:

- Updating the Compliance Program Plan and assuring a system for prompt response to Compliance issues
- Communicating to staff the compliance hotline number and other means for reporting non-compliance
- Distributing the hospital's Standards of Conduct
- Investigating reported improprieties and/or non-compliance
- Reviewing/updating compliance policies and procedures
- Auditing departments on a routine basis to prevent, detect, and correct non-compliance
- Reporting progress on issues or concerns to the Administrator
- Providing the Board of Commissioners with periodic reports
- Providing effective education and training regarding Compliance and its purpose

As HIPAA Officer this position conducts an assessment of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of Patient Health Information (PHI) stored or held electronically by Arbor Health. The HIPAA Officer ensures HIPAA Privacy and Security requirements are implemented, followed and complaints are investigated and reported as appropriate. This position provides data and reports to the governing Board concerning the number of HIPAA/Privacy complaints, their disposition and other compliance issues.

HUMAN RESOURCES DIRECTOR

In conjunction with the Credentialing Coordinator, Credentials Committee, Medical Executive Committee, and Board of Commissioners, is responsible for required credentialing and privileging of the facility's medical staff to ensure licensing and competency for the protection of patients at Arbor Health. The Director of Human Resources, in coordination with Department Directors and/or Managers, is also responsible for ensuring current licensure and competency of all staff.

This position directs the following policies and activities:

- Industrial Accident – Incident Claim policy
- Personnel Policy and Procedures Manual
- Group health insurance plans (health, dental, life, disability) for employees
- Pension plan for employees with the pension consultant
- Assistance to managers on employment issues in accordance with policies and union contracts
- Pre-Employment Drug Testing policy
- Sexual Harassment policy
- Labor negotiation sessions and preparatory work including salary reviews
- Collection of pertinent information and maintenance of files on arbitration sessions with employees
- Comprehensive orientation and training for new employees
- SWANK training for employees by department
- Education Steering Committee – determines the annual planning cycle to assure that requirements are addressed, burden of education pushed at end of year is reduced, educational topics align with strategic plan, quality metrics are achieved, current organizational tactics are covered, tools and applications are reviewed and optimized.

FACILITIES MANAGER

The Facilities Manager is responsible for the overall physical facilities. This position chairs the Life Safety Committee which is also responsible for the organization's disaster preparedness. The Facilities Manager ensures that regular fire safety inspections and drills are done and that the appropriate scheduled inspection of all medical and other equipment is accomplished, as well as having all repairs/replacements done when necessary. The Facilities Manager has written procedures to follow in the cases of equipment/supply recall to assure that all equipment subject to recall is appropriately serviced, repaired, returned or otherwise removed from service when required for the safety of the patients, employees and/or others. The Facilities Manager reports quarterly on specific facility improvement indicators at EOC Committee.

The Facilities Manager is responsible for administering the following plans and related policies or procedures through the Safety and Life Safety Committees:

- Fire Safety Management Plan
 - Fire drills
- Emergency Preparedness Management Plan
 - Emergency preparedness drills (including NIMS)
- Medical Equipment Management Plan
 - Review medical equipment tests
- Utility Systems & Physical Environment Management Plan
 - Review preventative maintenance (inventory, performance, documentation)
- Security Management Plan
 - Security rounds

- Hazardous materials and Waste management (HMWM) Plan
 - Chemical hazard/SDS
- Code drills (Orange, Gray, Silver, Amber, White)

These plans and/or policies are a vital part of The organization's risk management Plan.

SAFETY OFFICER

The Safety Officer is chair of the Safety Committee, voted in annually by its members. The Safety Officer and Committee is responsible for the organization's Safety and Accident Prevention Plan and assures the following activities occur:

- EOC/Safety rounds
- PPE hazard assessment
- New product evaluations
- Review staff accidents
- Evaluate & update Safety & Accident Prevention Plan
- Review L&I accident claims and rates of injury
- Maintain Safety bulletin boards
- Post Washington Industrial Safety and Health Act (WISHA) Poster(s)
- Educate staff

MEDICAL STAFF

The Medical Staff is responsible for governing the medical practice at the hospital. The Chief of Staff chairs the Medical Executive Committee which receives information from the Chief Medical Officer, Credentials Committee, Quality Oversight Committee, Infection Prevention Committee, Pharmacy and Therapeutics Committee, Bylaws Committee, and Utilization Review/Medical Records/Tissue and Transfusion Committee. These committees assist the medical staff in identifying areas of risk and in providing information required to correct or decrease the risk. The Medical Executive Committee is responsible for addressing risk management issues as they relate to medical staff appointment, reappointment, privileging, peer review, competence, and intimidating and disruptive behavior.

The hospital is required by law to report to the Department of Health the termination or restriction of staff privileges of any licensed physician. In addition, physicians and hospitals are required by law to report to the Medical Quality Assurance Commission or other appropriate division of the Department of Health, any information that appears to show a physician is or may be unable to practice medicine with reasonable skill and safety. The Commission/division then makes its own investigation.

PHARMACIST

The Pharmacist chairs the Pharmacy and Therapeutics Committee which is a standing committee of the Medical Staff. The Pharmacy and Therapeutics Committee is responsible for evaluating available evidence regarding the relative safety, efficacy and effectiveness of therapeutic agents and devices used in the hospital and clinics to ensure their quality meets said standards. They continually revise the hospital formulary so it represents the best available for prophylaxis or management of disease and meets the needs of patients. The Pharmacist recommends quality control specifications, methods of distribution and control, and drug utilization reviews.

The Pharmacist routinely provides (among other responsibilities):

- Verification of orders versus MARS for accuracy of transcription
- Review of antibiotic use
- Unit dose dispensing for medication
- Techniques to enhance distinction between look-alike/sound alike drug names
- Assistance in the formulation and implementation of programs designed to meet the needs of the medical and nursing staff for complete and current knowledge related to drug practice
- Advise to medical staff in the selection of drugs
- Data/information to medical staff regarding drug usage, adverse drug reactions and medication errors
- Investigation of Quality Management Memos – Medication
- Help to medical staff to differentiate between similar therapeutic agents

INFECTION PREVENTION AND CONTROL

The Infection Preventionist provides advanced professional and clinical leadership on infection control and prevention matters and administers the Infection Control and Prevention Plan. This position, in conjunction with a contracted Epidemiologist, is responsible for the management of infectious disease identification, surveillance, prevention, control, investigation, consultation, research, education, and development and review of related policies and procedures. Additionally, this position directs the hospital and associated clinics in complying with related local, state, and federal guidelines, standards and regulations. This role is an integrated function of the organization-wide quality and patient safety program.

EMPLOYEE HEALTH

The Employee Health Nurse is also responsible for tracking and reporting staff exposure to infectious disease, actual infection, and immunization and tuberculosis screening and compliance. This position provides TB screening of each new employee and TB review/latent TB testing and immunization review of current employees on an annual basis. This position conducts evaluation of ill employees and helps determine need for work restrictions, therapy or referral, and need for communicable disease evaluation. The Employee Health Nurse, in conjunction with the Epidemiologist, also evaluates exposures to contagious disease, environmental hazards, and bioterror issues. This position takes appropriate corrective action including notification of public health authorities, dissemination of information, training or education, developing preventative measures, and improving communication to reduce/prevent future risk. Quarterly data on exposures, infections, and TB screening and compliance is provided to the Infection Control Committee which recommends corrective action and reports areas of potential risk to the Medical Executive Committee.

CLINICAL EDUCATION

Clinical Education helps plan, develop and implement clinical education and training. Appropriate education programs are developed as needed to address medical-legal and risk management related subjects. Education and in-services are also provided as the result of tracking and trending of patient care and safety measures data.

EMERGENCY DEPARTMENT

The RN Emergency Department Coordinator, in conjunction with the Emergency Department Medical Director, provides leadership, generates decisions and sets goals to assure the unit meets and exceeds the standards of care defined for the patient population. The RN Emergency Department Coordinator audits patient care and provides data that is aggregated into trending information for risk analysis and assessment of emergency care measures to the Trauma Quality Improvement Committee. This position also provides incident reports and findings to the Quality Manager and CNO/CQO. Serious Incidents may result in activation of the Adverse Event/Sentinel Event protocol and root cause analysis (RCA) process. The Quality Manager further defines, aggregates, trends, analyzes, and reports on incidents to the QI Oversight Committee.

CASE MANAGEMENT

The Case Manager works with the patient, family and medical providers to foster communications and effective, efficient care. This position coordinates patient transitions through the hospital. The Case Manager is responsible for regularly assessing the patient and working with the patient's medical team to chart the patient's progress and monitors that the plan of care is being carried out. The Case Manager makes sure the patient understands medical instructions and that the medical team understands the patient's needs and concerns. This position acts as the patient's advocate and the care team's representative, trying to make sure everyone works together for the benefit of the patient.

The Case Manager is also responsible for Utilization Review and intervenes as appropriate when changes in status are indicated.

SAFE PATIENT HANDLING COMMITTEE

The Safe Patient Handling Committee responsible to the Environment of Care Committee. The primary responsibility of the Safe Patient Handling Committee is to establish, implement and monitor the Safe Patient Handling Program. This program develops and implements strategies to control the risk of injury to patients and health care workers associated with the lifting, transferring, repositioning, or movement of a patient. The committee works in close conjunction with the Infection Prevention Nurse, Safety Committee and appropriate nursing leadership to carry out its responsibilities. Areas/issues of potential risk are reported to the EOC Committee for monitoring and further improvement purposes.

Specific responsibilities of the Safe Patient Handling Committee are:

- Review all patient falls
- Review staff accidents related to patient handling
- Evaluate & update Safe Patient Handling Program/ Plan
- Code drills (Rapid Response)
- Educate staff

SUPPLY CHAIN MANAGEMENT

The Purchasing Clerk chairs the ad-hoc Product Evaluation Sub-Committee which is responsible to the Safety Committee. The Product Evaluation Sub-Committee evaluates new and replacement products for safety, effectiveness and cost. Members of this sub-committee include the Pharmacist, CNO/CQO, Infection Preventionist, Case Manager, Quality Manager, Chief Medical Officer, Controller, and other staff as necessary to ensure its findings are congruent with environment of care, life safety, infection prevention and control, medication management, and patient safety standards. It reports its findings to the appropriate director/manager/department, the Safety Committee and the Infection Prevention Committee, which reviews any issues of potential risk.

The Purchasing Clerk monitors and updates the following policies and/or procedures to address special safety issues in emergency situations. These policies and/or plans are a vital part of the organization's Risk Management Plan:

- Safety Data Sheet (SDS) Management
- Medical Device Recalls and Hazard Notices

INFORMATION TECHNOLOGY

The Information Technology Manager conducts security and risk assessment of potential threats to District information systems. This position organizes an appropriate defense system and inserts controls intended to prevent accidental hazards, deter intentional acts, detect problems as early as possible, enhance damage recovery, and correct problems. This position is also responsible for providing awareness training (of security threats and potential problems and crimes) to staff and assessing the number and type of work orders received. These findings are aggregated and reported to the QI Committee and areas/issues of potential risk are reported to the CFO and President and Superintendent.

EVENT REPORTING

Employees/Physicians are the eyes and ears of the organization and have a responsibility to use sound patient safety practices in caring for our patients. All employees/physicians are responsible for patient safety.

Every employee/physician has the following responsibilities when an untoward event occurs:

- First and foremost, take appropriate steps to care for the patient and minimize negative outcomes.
- Contact the patient's attending physician to report the incident and implement any therapy or treatment ordered.
- Implement steps to contain the risk to others, as appropriate.
- Enter an incident report in the electronic incident reporting system (ComplyTrack system).
- Take care of any family needs, as appropriate.
- Disclosure of the event by the appropriate care team to the patient/family.
- Documentation of the event and the disclosure in the medical record.

All members of the medical staff, house staff, and employees are required to report suspected and/or identified medical errors/events and should do so without the fear of reprisal/retaliation in relationship to their employment. A report of an event or hazard may be entered into the electronic event reporting system (ComplyTrack) with or without providing your name.

MANDATORY STATE REPORTING OF EVENTS

The State of Washington requires mandatory electronic reporting by all licensed health care facilities of any incident or event that may be associated with or may be an actual patient safety concern; and requires an automatic disclosure to patients and their families.

Events of interest to the Commonwealth are described as Incidents, Serious Events or Infrastructure Failures.

What is an Incident?

An incident is an event, occurrence, or situation involving the clinical care of a patient in a medical facility which could have injured the patient but did not either cause an unanticipated injury or require the delivery of additional health care services to the patient. The term does not include a serious event.

What is a Serious Event?

A serious event is an event, occurrence or situation involving the clinical care of a patient in a medical facility that results in death or compromises patient safety and results in an unanticipated injury requiring the delivery of additional health care services to the patient. The term does not include an incident.

What is an Infrastructure Failure?

An infrastructure failure is an undesirable or unintended event, occurrence or situation involving the infrastructure of a medical facility or the discontinuation or significant disruption of a service which could seriously compromise patient safety.

The Quality Management Department in concert with Administration make all determinations as to what occurrences are reported to the state.

- The law requires that any health care worker who reasonably believes that a serious event has occurred with a patient shall immediately report the event according to their facility's patient safety plan and the incident reporting instructions listed above.

- In addition, if the facility discovers that a Licensed Health Care Provider has failed to report a serious event, then that facility may notify the licensing board of the failure to report by the licensed health care provider.

CULTURE OF PATIENT SAFETY

Periodically, Arbor Health will survey clinical staff and physicians regarding the Culture of Patient Safety at the hospital. The results from this survey provide hospital leadership with an understanding of the safety culture at the hospital which is the product of the individual and group beliefs, values, attitudes, perceptions, competencies, and patterns of behavior that determine the organization's commitment to quality and patient safety. Action plans are developed and implemented at the hospital and department/unit level to enhance the culture of safety in order to improve the quality and safety of care provided and improve the reporting of events to enrich the safety culture at the hospital and clinics.

POTENTIAL LEGAL ACTION

If any employee learns of an incident or complaint that may lead to legal action against the hospital or a staff member, that person should immediately notify the Compliance Officer, CEO, CFO, CMO, or CCO.

Employees should not speak with attorneys or investigators who are not affiliated with the District regarding any matter involving the District unless specifically authorized to do so. Questions regarding whether a person is a hospital representative or for other guidance should be directed to the CEO.

ANNUAL EVALUATION

Arbor Health Morton Hospital and the Board of Commissioners shall review the Risk Management Plan at least annually in alignment with the calendar year. An annual evaluation is completed to identify components of the plan that require development, revision or deletion. Arbor Health and the Board of Commissioners also evaluate annually their contributions to the performance improvement and patient safety activities at Arbor Health.

IMPLEMENTATION OF ACTIONS AND DISSEMINATION OF INFORMATION

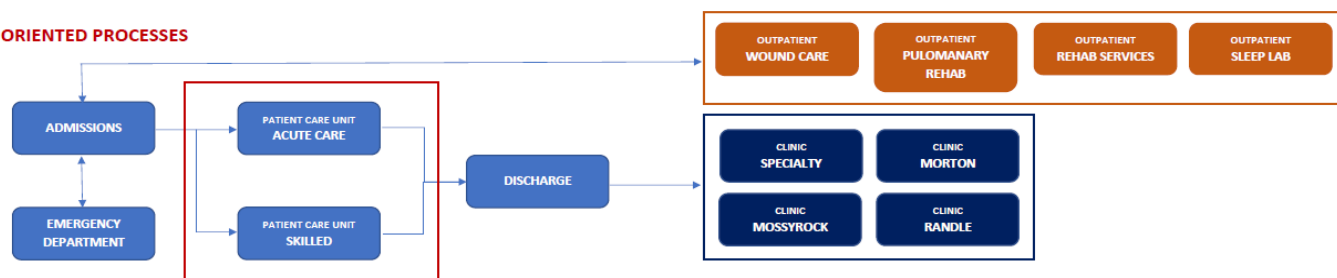
Implementation begins and re-measurement occurs with refinement in actions if the desired outcome is not achieved or the outcome is not maintained. Communication of quality and safety information is the responsibility of clinical and administrative leadership. This information is reported to the Quality Management Department, and throughout the organization, using the Performance Improvement Quarterly report and/or other acceptable formats. Annually or more frequent as necessary, the performance is presented at the Quality Improvement Oversight Committee with minutes and then presented to the Board of Commissioners.

ORGANIZATION PROCESS MAP

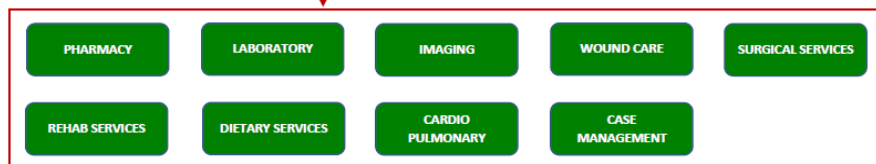
MANAGEMENT ORIENTED PROCESSES



PATIENT ORIENTED PROCESSES



PATIENT ORIENTED SUPPORT PROCESSES



HOSPITAL AND CLINIC SUPPORT ORIENTED PROCESSES





DocID: 8610-100
Revision: 2
Status: Official
Department: Governing Body
 (Board of Commissioners)
Manual(s):

Policy : Conflict of Policies

Purpose:

To ensure that the policies and implementing procedures adopted by the Board of Commissioners are consistent.

Policy:

Whenever the text of an adopted policy and/or procedure is not consistent with other adopted policies or procedures, the most recently adopted text shall be followed until the Board resolves the inconsistencies.

Procedure:

1. Whenever inconsistencies between texts are discovered, the Administrator shall require staff to comply with the most recently adopted text.
2. At the Board meeting immediately following the discovery of inconsistent texts, the Administrator shall:
 - a. Notify the Board of the inconsistencies; and
 - b. Present the Board with copies of each policy and/or procedure that contains inconsistent texts. The earlier adopted policies and/or procedures shall show the changes needed to make all texts consistent with the most recently adopted text.
3. The Board shall take any action necessary to make all texts consistent.
4. The Administrator, after the Board has acted, shall ensure that the policy and/or procedure revisions are disseminated to staff and shall require staff to comply with these revisions.

Document Owner: Frady, Trish

Collaborators:

Approvals

- **Committees:** (08/27/2015) Board of Commissioners, (09/27/2017) Board of Commissioners, (12/19/2018) Board of Commissioners,
- **Signers:**

Original Effective Date:

Revision Date:

[04/03/2007 Rev. 1], [08/27/2015 Rev. 2]

Review Date:

[08/17/2007 Rev. 1], [05/29/2009 Rev. 1], [04/11/2011 Rev. 1],
[11/08/2013 Rev. 1], [08/02/2016 Rev. 2], [08/24/2017 Rev. 2],
[10/18/2018 Rev. 2]

Attachments:

(REFERENCED BY THIS DOCUMENT)

Other Documents:

(WHICH REFERENCE THIS DOCUMENT)

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<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:10640>.



DocID: 8610-108
Revision: 2
Status: Official
Department: Governing Body
 (Board of Commissioners)
Manual(s):

Policy : Distribution for Board and Committee Packets

Policy:

It is the policy of Lewis County Hospital District No. 1 that regular board meeting agendas and packets shall be distributed electronically five days before the scheduled board meeting. Board committee meeting agendas and packets shall be distributed electronically five days before the scheduled committee meeting. Printed copies will be available upon request.

Document Owner: Frady, Trish
Collaborators:
Approvals
 - **Committees:** (07/22/2015) Board of Commissioners, (09/27/2017) Board of Commissioners, (12/19/2018) Board of Commissioners,
 - **Signers:**
Original Effective Date: 05/15/2008
Revision Date: [05/15/2008 Rev. 0], [08/12/2014 Rev. 1], [09/08/2014 Rev. 2]
Review Date: [05/29/2009 Rev. 0], [04/06/2010 Rev. 0], [04/11/2011 Rev. 0], [11/08/2013 Rev. 0], [07/20/2015 Rev. 2], [08/02/2016 Rev. 2], [08/24/2017 Rev. 2], [10/18/2018 Rev. 2]
Attachments:
 (REFERENCED BY THIS DOCUMENT)
Other Documents:
 (WHICH REFERENCE THIS DOCUMENT)

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DocID: 8610-106
Revision: 4
Status: Official
Department: Governing Body
 (Board of Commissioners)
Manual(s):

Policy : Hospital Declaration Of Personal Property As Surplus

Policy:

It is the policy of Lewis County Hospital District No. 1 that in accordance with RCW 70.44.320, the Board of Commissioners will declare by resolution personal property of the District that no longer has a hospital-district use as Surplus Personal Property.

The Board of Commissioners of any public hospital district may sell or otherwise dispose of surplus personal property of the District which the Board has determined by resolution is no longer required for public hospital district purposes.

Document Owner: Frady, Trish
Collaborators:
Approvals
 - **Committees:** (07/22/2015) Board of Commissioners, (09/27/2017) Board of Commissioners, (12/19/2018) Board of Commissioners,
 - **Signers:**
Original Effective Date:
Revision Date: [08/01/2006 Rev. 1], [04/18/2013 Rev. 2], [11/08/2013 Rev. 3], [12/11/2014 Rev. 4]
Review Date: [07/09/2008 Rev. 1], [05/29/2009 Rev. 1], [04/07/2010 Rev. 1], [04/11/2011 Rev. 1], [07/20/2015 Rev. 4], [08/24/2017 Rev. 4], [10/18/2018 Rev. 4]
Attachments:
 (REFERENCED BY THIS DOCUMENT)
Other Documents:
 (WHICH REFERENCE THIS DOCUMENT)

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<https://www.lucidoc.com/cgi/doc-gw.pl?ref=morton:10650>.

SUPERINTENDENT REPORT

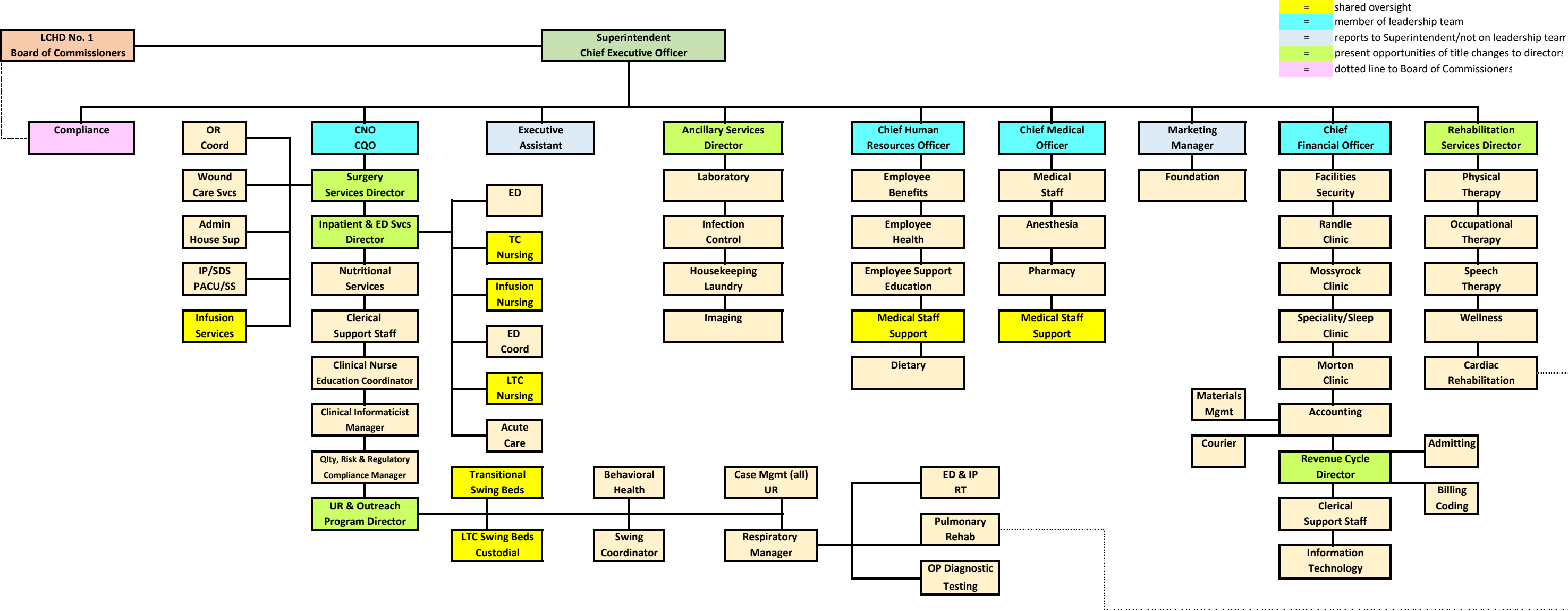


SUPERINTENDENT'S REPORT July 2020

Mission: *To foster trust and nurture a healthy community*

Vision: *To provide accessible, quality healthcare*

	Opportunity	CY 2019 Progress	Status	Associated Documentation
Follow-up	Mobile Clinic	A verbal update will be provided by Superintendent Everett and CFO Boggess	Incomplete	
Informational	Organizational Chart	To provide an update on organizational structure	Complete	
Follow-up	Departmental Goals	To provide a draft of the departmental goals being developed for October 2020- September 2021 that align with organizational strategies	Incomplete	
Informational	COVID-19 Update	A verbal update will be provided by Superintendent Everett on the current status of the organization's COVID-19 response	On-going	





Progress Towards 2020-2022 Strategies

Strategy 1 To build external relationships and partnerships that prioritize community health needs.

Strategy 2 To create a culture focused on safety, patient satisfaction, employee engagement, and excellent outcomes

Strategy 3 To continue as stewards of public funds

Strategy	Department	Goal	Status	Progress
Strategy 1	Dietary	Develop a Senior Meals program by xx/xx/xx to serve xx seniors.	Complete	
Strategy 1	Employee Health	Develop a community weight loss challenge that culminates in a 5K/10K/Half Marathon. Goals and timeline tbd.	Incomplete	
Strategy 1	Human Resources	Develop an employee community service program. X% of exempt employees participate and volunteer X hours annually.	On-going	
Strategy 1	Accounting	Focus on resourcing local goods where price disparity is less than or equal to x% and x\$	Complete	
Strategy 1	Materials	Develop an asset purchase process/structure (measure - 100% of assets/capital purchases follow process)	Incomplete	
Strategy 1	Emergency Room	Focus on resourcing local goods where price disparity is less than or equal to x% and x\$	On-going	

Strategy	Department	Goal	Status	Progress
Strategy 2	Laboratory	Reduce rate of rejected samples to reference lab	Complete	
Strategy 2	Marketing	Adopt Mission/Vision throughout organization	Incomplete	
Strategy 2	Transitional Care	Develop a demonstration kitchen and execute X demonstrations	On-going	
Strategy 2	Infection Control	Improve Hand Hygiene to greater than 90%	Complete	
Strategy 2	Imaging	Decrease stroke/CT report turnaround time to less than or equal to 15 minutes	Incomplete	
Strategy 2	Housekeeping	Developing a measure for Room Checks	On-going	

Strategy	Department	Goal	Status	Progress
Strategy 3	Dietary	Increase GPO rebates from food vendor by 15% over Q3 2020	Complete	
Strategy 3	Employee Health	Decrease claims cost against national measure	Incomplete	
Strategy 3	Human Resources	Decrease employee turnover to less than or equal to 20%	On-going	
Strategy 3	Accounting	Increase EFT Utilization by 50% over Q3 2020	Complete	
Strategy 3	Materials	Increase PO Utilization by 15% over Q3 2020	Incomplete	
Strategy 3	Infection Control	Decrease Infections Disease readmissions with same diagnosis within 30 days of hospital stay	On-going	