

## MEMORANDUM

**TO: BOARD OF COMMISSIONERS  
PROSSER MEMORIAL HEALTH**

**FROM: CRAIG J. MARKS, CEO**

**DATE: March 2022**

**RE: CEO REPORT**

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### SERVICES

#### 1. Replacement Facility Update

The most significant project in the history of Prosser Memorial Health, since it opened in 1947, continues on many fronts and steady progress is being made. To make this complex project more understandable, we continue to break it into three sections: Design; Construction / Budget; and Financing. As an overview of these areas, I have included the March Owner's Representative (NV5) Progress Report (**Attachment A**); the minutes from our most recent project team meeting (**Attachment B**); and the schedule for the next four months (**Attachment C**). Overall, the project continues to go well with a lot of activity happening behind the scenes in many areas. Because we have many other items to discuss with the Board in March, we are giving the members of the project team a break and are not asking any of them to attend our Board Work Session. The Administrative Team will give an update and if we need further clarification, we will contact other team members virtually.

##### A. Design

As I have discussed previously, the construction documents are now 100% complete and have been submitted to all regulatory agencies that must approve them (City of Prosser, WA Department of Health, and the USDA). These documents are being actively reviewed by the City of Prosser and the DOH, however, USDA will not begin a final review of the documents until several Construction Management Contract issues are addressed to their satisfaction and a Right-of-Way certification is signed by an attorney. Both items are being aggressively worked on by our legal counsel, however, the issues are complex (e.g. Washington State laws vs. USDA Requirements) and could take up to a month to resolve. These types of delays are very unexpected (our team has never faced these issues in any other state) and frustrating, but we will continue to resolve all outstanding USDA issues as quickly as possible. To date, the review of the construction documents by the City and DOH have gone well, with our design team (bcDG) responding to all their questions. We also continue to work with the DOH on the issuance of our Certificate of Need (CON), which is contingent upon our completion of the SEPA (State Environmental Protection Agency) process. The SEPA application was submitted to the City of Prosser on February 9<sup>th</sup> and forwarded to the State for a mandatory Public Review period. We expect this process and the issuance of our CON to be completed in early April.

Before this project began, working with the entire PMH Team, we developed a Visioning document, with objectives and strategies for this project. Through each major phase of the project, we have updated the Vision (**Attachment D**), and I am pleased to report that we have met most of our objectives and strategies. The final update regarding our Vision will be completed after we open our new facility. The final aspect of design that we continue to work on with bcDG is related to interior design and furniture selection. As it relates to furniture, several members of the PMH project team (Merry Fuller, Kristi Mellema, Craig Marks) will be meeting representatives from the overall project team (bcDG, NV5, Open Square-Furniture consultant) at the Chicago Merchandise Mart to see, touch, and feel potential pieces of furniture for our project. The furniture items selected will then be demonstrated at PMH for our staff. No furniture decisions will be made until all members of our team are given an opportunity to evaluate them. From an interior design perspective Brooke Cinalli, from bcDG, and her team, are currently developing finish boards of various areas of the new facility. These boards will be shared with the PMH Board in April and our entire team at Open Forums to be held April 25th and 26th. Finally, we were recently notified by the City of Prosser that our official address at our new facility will be: 200 Prosser Health Drive (**Attachment E**).

## **B. Construction / Budget**

From a construction perspective, Graham Construction, has been busy negotiating with the selected mechanical (Apollo) and electrical (Valley) contractors, and preparing the remaining bid packages. Negotiations with Apollo have gone well and are anticipated to be close to our budget. Negotiations with Valley have not gone well, however, and are significantly above our budget with no significant movement by Valley. As a result, we have made the decision to terminate our relationship with Valley and begin negotiations with the second highest electrical contractor (Garrett Electrical) in the general contractor bid process. We are optimistic that Garrett's bid will be closer to our budget and industry standards. It should also be noted that Garrett is a local company and one that has previously provided services at PMH. This change will require a little additional time, so we are planning to present both the electrical and mechanical bid packages to the Board for approval in April. In addition, the remaining 20 bid packages and the final MACC / GMP will be brought to the Board for approval in April. In the meantime, Graham is busy advertising the bid packages and explaining the project and our expectations to interested contractors. Graham has also been working with the Sunnyside Valley Irrigation District (SVID) on getting approvals for irrigation canal crossings required for our project (**Attachment F**). With the approval of the crossings, construction of these crossings could begin soon to get them in before the irrigation season begins.

## **C. Financing**

Our final area of concentration revolves around our ability to obtain financing for the project which is detailed in our financing schedule (**Attachment G**). As previously reported, we have obtained approval for a long-term loan for \$57.5 million from the USDA, and an equal amount from Western Alliance for a short-term construction loan. Unfortunately, with inflation and the cost of construction increasing, the Board approved seeking an additional \$13 million from the USDA and Western Alliance. On March 10th, we submitted an application to the USDA for the additional funds. This request required a revised Financial Feasibility Study which was completed by DZA. The study enabled us to include our actual financial performance in 2021 and the financial statements and

ratios (**Attachment H**) improved compared to our previous study (**Attachment I**), despite the \$13 million increase in the cost of the project. According to USDA representatives, the cost of projects across the country are going up, requiring additional USDA support. They also indicated that the USDA has the funds, and with our improved positive financial projections, we are optimistic that our request will be approved. We anticipate hearing back from the USDA in late March to mid-April regarding their decision. Keep your finger crossed!

## **2. Right of First Refusal**

We were recently notified by the owner (Prosser Ventures, LLC) of the three buildings housing the Prosser Clinic, Prosser Women's Health Clinic, and the PMH Rehab Services (speech, occupational and physical therapy) of his intent to sell the building. Per our lease, we were notified in the form of a right of first refusal, which enables us to purchase the building for \$8.3 million or the buildings will be sold to another party (**Attachment J**). For several reasons, we will be recommending to the Board that we waive our Right of First Refusal. First, our long-term plan has, and continues to be, to move all three entities to our main campus when (or close to) their leases expire. The current leases expire between 2028 Women's Health Center and 2032. Depending upon whether PMH is prepared to build the required facilities on its new campus in 2032, the leases could also be extended with the new owner of the buildings. Second, we do not have the resources (cash and or debt capacity) to purchase the buildings at this time and we do not believe the USDA would look favorably at this transaction. Finally, we do not currently know the market value of the buildings and do not have enough time to obtain them. This will be discussed with the Board at the March Board Work Session and the Board will be asked to decide on the Right of First Refusal at the March Board Meeting.

## **MEDICAL STAFF DEVELOPMENT**

### **1. Medical Staff Recruitment**

Our recruitment efforts for 2022 are going very well as we successfully recruited two (Family Practice- Benton City; Gastroenterology-Prosser) of our seven positions. The remaining five positions include psychiatry, endocrinology, orthopedic surgery, emergency medicine and internal medicine. We have had the most interest in our psychiatry (pain management) opportunity with six active candidates. We are currently in the process of conducting phone interviews and visits are being scheduled and hosted for the best candidates. We have extended an offer to an orthopedic candidate that will complete his sports medicine fellowship in 2023. He is currently exploring all his options and we expect he will make a decision in the next couple of months. We are just beginning our search for an endocrinologist and currently have two interested candidates. As it relates to emergency medicine and internal medicine, we have added some part-time help, but will continue to explore full-time candidates. One of the challenges we have faced this past year is the ability to provide full-time (7 days a week, 365 days a year) general surgery on-call services. We are currently in discussions with Dr. Unger, general surgeon to see if we can develop a system that works for him, PMH, and our community.

## 2. Medical Staff Engagement

Medical staff engagement has been a focus for us for several years, and while our engagement is high (based on our annual engagement survey), our scores have declined slightly over the past couple of years. We are hoping to reverse that and get back over 90% satisfaction with PMH in 2022. To assist us, Dr. Hashmi has agreed to join Dr. Wenger and Annie Tiemersma in re-engaging our Medical Staff Engagement Team. This Team will look at ways to improve our providers' PMH experience and help celebrate their successes. A key element of this will be the involvement of all PMH Clinic Directors in this process to help enhance communication throughout our clinics. The Medical Staff Engagement Team will begin meeting on a regular basis in April and is looking for providers to join the Team. If you are interested, please let me or Annie Tiemersma know.

One of the objectives of this Team is to celebrate our Medical Staff, which will begin on March 30th, National Providers' Day. As a small token of our appreciation for everything our Medical Staff does for our patients, PMH and the communities we serve, we will be distributing a gift and hosting a Medical Staff Social at Wit Cellars. Please join me in thanking all providers for sharing their expertise in caring every day. We have also begun planning for a Medical Staff, Board, and Leadership Team social in July. We had originally planned to do a dinner cruise on the Columbia River (like we did before the pandemic), but we learned last week that they are selling one of their boats and will not be able to accommodate a group as large as ours. Therefore, we are looking for a new venue and welcome any ideas you may have. Please share your ideas with me and we can't wait until July!

## 3. Hospitalist Update

We recently learned from Dr. Hashmi, PMH Hospitalist, Medical Director, that Dr. Joshi was planning to move to part-time status at PMH or Kadlec so that he could spend more time with his family. While Drs. Hashmi and Collingham have attempted to make this work, it has increased their workload. As a result, Dr. Hashmi has quietly made the hospitalists at Kadlec aware of the full-time opportunity at PMH. As a result, Dr. Caleb Haws (**Attachment K**) recently expressed interest and interviewed at PMH. The interviews went very well, and the consensus was that he would be a good fit at PMH. Dr. Hashmi and Kadlec are currently working together to finalize the deal with Dr. Haws such that he can begin in July at PMH.

## 4. CRNA Contract

Our growing surgical and procedure volumes require the need for expanded anesthesia coverage. As a result, a new contract with Horse Heaven Anesthesia has been negotiated and submitted to the Board of Commissioners this month for approval (**Attachment XX**). The expanded coverage will allow us to run both operating rooms and the procedure room Monday through Friday. This change will enable us to ramp up our GI procedures and accommodate transesophageal echocardiograms, and pain procedures without negatively impacting surgical volumes or obstetrical epidurals.

## EMPLOYEE DEVELOPMENT

### 1. Employee Engagement

We officially turned the page from winter to spring with our celebration of St. Patrick's Day on March 17th. There were several leprechauns from Administration wandering throughout the organization distributing treats and (no pinches for not wearing Green!) to our staff (**Attachment L**). On March 14th we-tipped off the Annual PMH March Madness Tournament (**Attachment M**). This year's contest is being conducted electronically, which makes it much easier to complete and track how you are doing compared to other PMH team members. We have 192 PMH team members participating in the contest and competing for the many prizes to be awarded. Good luck to everyone participating! On Friday April 15th we are expecting a visit from the Easter Bunny, who will be hopping around PMH distributing good cheer and treats to everyone he/she sees. I have also included the March Employee Newsletter highlighting some of the activities happening at PMH (**Attachment N**).

### 2. Retention Bonus

Just like last year, the number one concern of hospitals across the country today, including PMH, is the wellness of our staff. Our staff continues to be tired and stressed from battling COVID-19 for the past two years and also treating a significant increase in the number of patients at PMH. Unfortunately, exhaustion, and stress from work has led some healthcare workers to resign. Fortunately, at PMH we have not had a significant turnover issue yet, nor do we want one! To that end, we would like to award a one-time retention bonus payment, like last year, to our staff (**Attachment O**). The proposal is for all employees (including Providers and Leadership) who worked from September 20, 2021, through March 20, 2022, to receive an additional compensation award related to the number of their paid hours during the aforementioned period. These hours include Regular, Overtime, Holiday, Vacation, Sick, CME, and Call-Back. It would exclude On-call hours. Everyone in the organization (except Board members) is included in this compensation award because everyone has been impacted by the pandemic and worked through these challenging times. Thank you!

The awards will range from \$250 to \$2,000 per employee (404 employees), depending upon how many hours our staff were paid for from September 20th through March 20<sup>th</sup>. In appreciation for all of the hard work and compassion (highest patient satisfaction scores we have ever achieved!) displayed by the PMH Team these past six months, we will ask the Board in March to approve the payment of a one-time retention bonus as outlined in (**Attachment O**) in the amount not to exceed \$637,500. It is our plan to use some of the unused COVID-19 Relief Funds for this payment, which will have no material impact on our financial statements. If the Board approves this recommendation, it will be paid on April 1, 2022. This proposal will be discussed with the Board at the March Board Work Session.

### 3. 2022 PMH Incentive Compensation Program

Last month I made a proposal to the Board that would include all PMH employees (excluding providers) in the incentive compensation program (**Attachment P**). There was much discussion and ultimately the topic was tabled until March. Based on the discussion that was held, several changes were made to the Policy, which are highlighted in yellow. Two important points to remember are that this Policy and payout is only implemented if PMH performs well (exceeds the budgeted net income for the year) and it is brought to the Board for revision and/or approval every year. As stated in the Policy, “the PMH Board of Commissioners reserves the right to amend or terminate the program in whole or part at any time. “As I stated last month, based on my experience, a program like this rewards all staff for their contribution to the success of the organization, which benefits both the employees and the organization, and for those reasons I strongly endorse the program. The Incentive Compensation Program will be discussed at the March Board Work Session and the Board will be asked to vote on it at the March Board Meeting.

### 4. Employee Performance Report

The 2021 Employee Performance Report (**Attachment Q**) will be discussed at the March Board Meeting by Bryan Dirkes, CHRO. This report is compiled and reported to the Board on an annual basis. The report demonstrates the number of evaluations conducted in 2021, and the number of employees that were placed on Performance Improvement Plans (PIP). The report also shows that while we improved in giving timely performance evaluations, we did not achieve our goal (79.6%) and will continue working on this in 2022. In fact, one of the most important jobs a leader has is to give timely feedback to their staff, so we will continue to work aggressively to improve this.

### 5. PMH Retirement Plan

In 2021 employee participation in the Prosser Memorial Health retirement plan remained strong holding at a 98% participation rate. In January of 2022, the employee contribution percentage was automatically increased from 1% (initiated in 2020\*) to 2% for all existing employees who were not already at 2% contribution rate (many withhold at a higher rate) and all new hires. The PMH retirement plan design includes this auto increase feature and will continue to increase by 1% each year through 2024. As a result, most PMH employees saved 5% for retirement in 2021 compared to 3% before we implemented the new plan. Outstanding!

Year	Employee Contribution	Employer Matching	Employer Non-Elective	Total Contribution to 403(b)
2020	0%	0%	3%	3%
2021	1%	1%	3%	5%
2022	2%	2%	2%	6%
2023	3%	3%	1%	7%
2024	4%	4%	0%	8%

\* All employees have an “opt-out” option if they choose not to participate in the retirement plan.

It is Leadership's intent to continue to promote this plan to all employees and providers through routine information and education related to retirement savings throughout the year. See attached examples (**Attachment R**).

## 6. PMH Exempt Annual Evaluations

It is once again time to conduct annual evaluations for all exempt staff (management and non-management). Written evaluations will be completed by the end of March and the person-to-person portion of the evaluation will be completed by April 8th. Salary increases and incentive compensation bonuses will be distributed (if earned) after the first full pay period in April (April 22<sup>nd</sup>). It is important to remember that exempt staff have no salary guarantees, and any salary increase and/or incentive compensation paid is based upon the performance of the individual and PMH.

## 7. CEO Evaluation

Like all other exempt staff, it is also time for the Board to complete the CEO Annual Evaluation. I have included a copy of the CEO Evaluation Form (**Attachment S**) that was used last year and will be used again this year. The CEO Evaluation Form will also be distributed to all Board members at the March Board Work Session. Board President, Dr. Stephen Kenny would like the forms to be completed as soon as possible and returned to him so that he can have the results compiled and discussed with me at the April Board Meeting (April 24). I will also complete a self-evaluation and distribute it to all Board members next week. I look forward to these discussions with the Board in April.

## 8. Medical Staff Coordinator

I was recently notified by Lynn Smith, PMH Medical Staff Coordinator, that she is planning to retire at the end of June. While I am happy for Lynn, I am sad for PMH. Lynn has done an outstanding job for PMH working with, and supporting, our Medical Staff. When we get a little closer to her departure, we will have a retirement party for Lynn. As soon as I learned of Lynn's plans, we began advertising for her position, and I am pleased to announce that I have selected Maggie Munoz-Costello to become the next PMH Medical Staff Coordinator (**Attachment T**). Maggie has been at PMH since 2005 and since 2014 she has been our provider credentialing specialist, giving her a lot of experience working with our Medical Staff and knowledge of credentialing. Please join me in congratulating Maggie on her new position! Over the next several months Maggie will slowly transition to her new role, working closely with Lynn while assisting in finding a replacement for her current position.

## FINANCIAL STEWARDSHIP

### 1. Financial Performance-February

While we started the year a little slow with our financial performance in January, we picked-up the pace in February and had an excellent financial month (**Attachment U**). February was an interesting month because we were slightly under budget in almost every volume statistic, yet our gross revenue was 6% better than budget. While we are still studying this, it appears that the acuity/complexity of our patients was higher in February, resulting in higher charges per procedure/patient. Our deductions from revenue were in line with our increased revenue and our net revenue (including

\$107,900 of COVID-19 Relief Funds) was 6% (\$376,829) better than budget and 26% (\$1.4 million) better than last year. We also had a good month for expenses, as our total operating expenses were \$328,305 (5%) better than budget. This resulted in an operating income of \$951,701 or 286% (\$705,134) better than budget. After adding in non-operating income, our total net income for February was \$1.05 million or \$773,374 (277%) better than budget.

As a result of our strong performance in February, our year-to-date performance improved dramatically in all major areas. In fact, all major areas are now outperforming our budget, including our net income which is \$1.4 million or \$839,787 (147%) better than budget and 103% better than last year. Our strong income statement was driven by an excellent payor mix in February, with 31.8% of our revenue coming from commercial payors (our average in 2021 was 29.3%). In addition, our strong income statement and limited capital spending resulted in a positive cash flow of \$286,653 in February, and 150 days of cash on hand. Overall, our financial performance and position remains strong and will hopefully impress the USDA.

## 2. 2021 Financial Audit

Dingus, Zarecor and Associates (DZA) completed their financial audit of Prosser Memorial Health for 2021 and Tom Dingus, Partner in Charge, will present their findings to the Board of Commissioners at the March Board Work Session. Included in your packet are several attachments that include the Audit Report (**Attachment V**), Management Letter (**Attachment W**) and Financial Indicators (**Attachment X**). Like last year, DZA included the PMH Foundation in our financial statements, resulting in two sets of financials. The first statements represent the hospital financial performance, and the second statements are a combined version of the hospital and Foundation. I am pleased to report that DZA is presenting an unqualified audit opinion (the highest opinion they give). There were no significant audit adjustments resulting in a net income of \$16.5 million for the hospital and combined (hospital and Foundation) net income of \$16.7 million. The attached Management Letter identifies opportunities for improvement and the Financial Indicators Report compares our financial performance and indicators to our historical performance and other hospitals our size in Washington and across the country.

It should be noted that a lot of work was done as it relates to COVID-19 relief funds. As you recall, we received over \$20 million in COVID-19 relief funds in 2020. Of those funds, we recognized \$4.28 million in 2020 and returned \$6.59 million. We also recognized, \$6.35 million (SBA- Payroll Protection Program) and \$3.6 million of HHS funds in 2021. Overall, the audit confirms our solid financial performance in 2021.



### **3. PMH Foundation Update**

The capital campaign continues to move forward toward our \$2 million goal. We currently have \$1.2 million in secured pledges and are following-up on outstanding donation requests we made in 2021. After PMH breaks ground on the new hospital project we will officially kick-off the public fundraising phase for the new hospital campaign. We plan on having a large display at Bottles, Brews, and Barbecues with renderings of the new hospital. This display will be staffed by Foundation Board members and Board of Commissioners and will be an excellent venue to educate the community about the project. The Foundation will also sell commemorative bricks at Bottles, Brews, and Barbecues for \$100 and \$250 each.

We have begun the public communication plan for the new hospital project as there has been misinformation about the project, specifically regarding a tax or levy, in the public domain. Here is a link to an article in the Yakima Herald-Republic published last week; [Prosper Memorial Health plans new \\$78 million hospital complex | Local | yakimaherald.com](https://www.yakimaherald.com/news/local-news/prosper-memorial-health-plans-new-78-million-hospital-complex-local-yakimaherald-com). The Thursday before Bottles, Brews, and Barbecues we will host a Donor Appreciation event for all donors to the new hospital project at Vintner's Village. There will be food trucks, beverage offerings from local businesses, and the band Heart By Heart will perform. The event will be held from 6-9 pm. Donors will receive an invitation in the mail in the coming weeks.

The PMH Board will be asked to approve the appointment of James Boyer to the PMH Foundation Board in March! James is an attorney in Yakima and our very own Carlin Vaux's husband. We are excited for have him join us! Save The Date for Bottles, Brews, and Barbecues June 10 & 11 at Vintner's Village. We are currently confirming sponsors, food and beverage vendors, and entertainment. The Pacific Northwest Barbecue Association will have their barbecue competition in partnership with our event once again! Look for more details and volunteer opportunities in the coming weeks.

## **2. QUALITY**

### **1. Covid-19 Update**

For the first time in two years, I am pleased to report that the number of new COVID-19 cases are declining at a very rapid pace and fortunately deaths are also declining rapidly across the country and locally. With the Governor's recent proclamation to eliminate mask mandates, except in healthcare facilities and several other special settings, it appears that the pandemic may almost be over. While there are several variants that are being watched across the world, the U.S. has not seen any of them get a foothold in our country. At PMH, we continue to wear masks and promote vaccines, boosters, testing, and antiviral treatments, however, the demand for all of these is waning. Because of the declining number of positive cases, we have moved to a green status for visitors, which means all

visitors are welcome at PMH, but they must wear masks. We believe opening our doors to visitors again is a very important element of the healing process for our patients and one that we are excited to implement.

## 2. COVID-19 Financial Plan

While we did not receive any additional COVID-19 Relief Funds in February, we did recognize the use of \$107,900, leaving \$1,211,284 in unused HHS Provider Relief Funds (**Attachment Y**). With the current decline in COVID-19 cases, we are concerned about whether we will be able to use (recognize) the remaining \$1.2 million by the end of the year. The proposed retention bonus would use \$637,500 of the funds and leave us \$573,784 to use the remainder of 2022, which appears reasonable. There was a lot of talk in Washington D.C. about additional COVID-19 Relief Funds, however, that talk has now shifted to the Ukraine, as are any potential Relief Fund dollars. It does not appear that there will be any additional COVID-19 Relief Funds until the Ukraine situation improves and/or COVID-19 cases increase again. Fortunately, PMH continues to perform well despite the pandemic. In fact, the Governor's proclamation to prohibit elective surgeries for four weeks cost PMH approximately \$1.5 million in gross charges in our surgery department. Regardless, our organization-wide revenue in January and February was 2% over budget and 27% over last year. While our financial performance in January was not great, but better than budget, the American Hospital Association (AHA) reported that January saw hospital margins (including relief funds) were negative for the first time in eleven months. It was also recently reported that 892 rural hospitals are at immediate risk of closing, including 50% of all rural Washington hospitals (**Attachment Z**). once again, we continue to outperform most rural hospitals across the country and in Washington.

## 3. Board Policies

The Board will be asked to approve the following Board Policies in March: Provision of Care (**Attachment AA**); Patients' Rights and Responsibilities (**Attachment BB**); Forgoing Life-Sustaining Treatment (**Attachment CC**); and Non-Privileged Employees (**Attachment DD**). There are no significant changes to the policies other than title /name changes, typos, etc. The policies will be placed on the Consent Agenda for approval. If the Board would like to make more significant changes or discuss the proposed policies, any Commissioner may remove a policy from the consent agenda and place it on the regular Board Agenda or discuss it at the March Board Work Session.

## 4. Compliance

The 2021 PMH Corporate Compliance Report (**Attachment EE**) and the 2022 PMH Corporate Compliance Plan (**Attachment FF**) were recently reviewed by the Corporate Compliance Committee and the Joint Conference Committee (JCC). The Report and Plan will be briefly reviewed at the March Board Meeting, and we will address any questions or concerns you have regarding them. Based upon the JCC recommendation, we will be asking the Board to approve the 2022 Corporate Compliance Program Plan at the March Board Meeting.

## 5. Infection Prevention

The 2021 PMH Infection Prevention Performance/Scorecard (**Attachment GG**) and the 2022 PMH Infection Prevention Plan (**Attachment HH**) were reviewed by the Joint Conference Committee (JCC). Our Infection Prevention Program is strong at PMH under the leadership of Susan Miklas, as demonstrated in the scorecard. These documents will be briefly reviewed at the March Board Meeting, where the Board will be asked to support the recommendation of the JCC to approve the 2022 PMH Infection Prevention Plan.

## 6. Utilization Review

The 2021 Utilization Review Performance (**Attachment II**) and the 2022 Utilization Review Plan (**Attachment JJ**) were reviewed by the Joint Conference Committee (JCC) in March and recommended for approval by the Board. Merry Fuller will briefly review these documents at the March Board Meeting and the Board will be asked to approve the Utilization Review Plan for 2022.

## 7. ACHE Congress

The last week of March, Merry Fuller and I will be attending the American College of Healthcare Executives Congress in Chicago. Merry and I are both Fellows (Congratulations Merry!) in the ACHE, which requires us to attend ACHE Education Programs, such as this Congress, every year in order to maintain our status. In addition to attending education sessions, we will also meet members of our replacement facility project team to evaluate furniture for the project at the Chicago Merchandise Mart (one of the largest furniture showrooms in the world). It's always nice to combine activities like this to be more efficient.

## 8. March Board Meetings

For the first time in a long time, the replacement facility project will not be the focal point of our March Board Meetings. The March Board Work Session will be used to review/receive: the results of our 2021 Financial Audit from Tom Dingus-DZA; a brief update on the replacement facility project; a Right of First Refusal offer; a proposed retention bonus; the revised 2022 Incentive Compensation Program; and a new CRNA contract. We plan to use the March Board Meeting to approve several items (some that were discussed at the Work Session) including: the 2021 Audit; the declination of a Right of First Refusal; Board Policies; a CRNA contract with Horse Heaven Anesthesia; a new PMH Foundation Board Member- James Boyer; the 2022 Utilization Review Plan; the 2022 Infection Prevention Plan; and the 2022 Corporate Compliance Plan.

If you have any questions regarding this report, or other hospital activities, please contact me at (269) 214-8185 (cell), (509) 786-6695 (office), or stop by and see me at the hospital.