

BOARD OF HOSPITAL COMMISSIONERS

August 23, 2022

Those in attendance were Hospital Commissioners Darrin Moody (teleconference), Gayle Weston (teleconference) and Don Wilson (teleconference). Also present were Eric Moll, Mason Health CEO (teleconference); Mark Batty, Mason Health COO (teleconference); Rich Smith, Mason Health CFO; Dean Gushee, Mason Health CMO; Robert Johnson, Legal Counsel (teleconference) and Shelly Dunnington, Senior Executive Assistant (teleconference).

Others in attendance:

Darrin Moody called the regular meeting of the Board of Commissioners to order at 8:00 a.m.

It was moved, seconded, and voted to approve August 9, 2022 minutes as presented.

Commissioner's Committee Report & Calendar

Don Wilson attended BOHC on August 9, 2022 and met with Eric Moll 1:1 on August 22, 2022.

Darrin Moody attended BOHC and Public Health meeting on August 9, 2022, Construction Meeting on August 15, 2022, Master Planning Kick Off on August 16, 2022 and met 1:1 w/Eric Moll on August 22, 2022.

Gayle Weston attended BOHC on August 9, 2022, Finance Committee on August 17, 2022, Retirement Committee on August 18, 2022 and met 1:1 w/ Eric Moll on August 22, 2022.

Public Comments – None

Consent Agenda

It was moved, seconded, and voted to approve August 23, 2022 consent agenda.

Legal Counsel –

Eric Moll “thanked” Rob Johnson, Legal Counsel for his help during his vacation.

CEO's Report

- a. CFO Selection Update - We have two CFO candidates that we will do in-person interviews with on August 25 & 29, 2022.

Our HR Director is out of the office unexpectedly. Our Executive Team are all helping during his time away.

Eric Moll provided an update on the master planning kick off. The new architect that we will be working with is ZGF. They are hoping to have a Master Plan together by January 2023, which will include a timeline. Darrin Moody “thanked” Don Wilson for suggesting him to be part of the Master Planning Committee, he really is enjoying how strategic this process is.

Monthly Reports –

- a. Financials & Executive Summary July 2022 – A high-level review of the July financial statements was provided, including comments regarding current, large hospital marketplace trends. July's operating margin was +1.5%, with the YTD operating margin remaining above budget by 2.8%. Admissions and patient days were both above budget for the month, with gross revenue up 5.5% over June, but below budget by 7.9% YTD. In July 2021 CARES Act grant funds began to be recognized, which will continue through the end of the year. Mason's cash position remains strong, with 261.9 days cash on hand and receivables at 43.5 days. Rick indicated under productivity that change the overtime hours % to total paid hours. Commissioners asked about the communication around the compensation if it has been completed. Overall, it has been communicated and currently still working with one union group.
- b. Quarterly Financial Statements – Q2 2022 - The Q2 Financial Statements were also reviewed. In the second quarter, patient revenue contracted, and other operating revenue was lower, primarily due to reduced 340B program revenue. Interest income has improved as a result of rising interest rates, while salary and benefit costs have increased due to market pressure. Other statistics were detailed, showing declines in Q2 over Q1. Staffing and supply shortages are the main drivers of the service line reductions.

Old Business – None

New Business –

- a. Budget Amendment – Certified Mid-Wife – Mark Batty recommended to increase to the 2022 operating budget in the amount of \$28,132 (\$168,790 annualized) to support the hiring of a Certified Mid-Wife for the Mason Clinic Women's Health and Birth Center service lines. This increase to the 2022 operating budget is based on this position being filled during the month of November. An additional \$20,000 is also being requested in the event a sign on bonus is to be offered to encourage a candidate to accept this position.
It was moved, seconded and voted to approve increase to the 2022 operating budget in the amount of \$28,132 (\$168,790 annualized) to support the hiring of a Certified Mid-Wife for the Mason Clinic Women's Health and Birth Center service line. An additional \$20,000 is also being requested in the event a sign on bonus is to be offered to encourage a candidate to accept this position.
- b. Executive Summary – Quality Improvement & Kaizen Promotion Office – Mel Strong presented the quarterly quality improvement summary. Gayle Weston would like Mel to report back on the CMS star rating. Gayle asked if are doing anything around the Safety Huddles or Team Meetings rating? Mel indicated that she believes the rating is due to communication and using the right terms. Gayle Weston concurred with the communication (e.g., as a result of what you shared here is what we have done).

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New Business (continues)

- c. Disposing of Tangible Hospital Personal Property (Surplus) Policy - Eric Moll asked to table this policy for further review by WIPFLI for internal control recommendations. **The commissioners agreed to table this policy at this time until we get more information.**

Administration Roundtable

Mark Batty shared that Dr. Cuevas has work in the Skokomish Clinic a couple of times now and we are hearing positive feedback already.

Mark Batty shared that we have not seen a sign contract from the YMCA/School District

Gayle Weston asked about the Rehab Project. Mark Batty shared they are starting to put up some walls and working FFE and IT connection. The completion date is anticipated 11/1/22 and move in date 11/22/22.

Mel Strong is on the School District CTE committee for Mason- Thurston.

Mel Strong shared there is no changes on guidelines for Covid in the hospital.

Open positions are holding steady with 1.7 RN FTEs open. Overall, the morale is holding steady.

Rick Smith shared budget is under way and are due at the end of the month. Capital has been put together.

Rick Smith shared that they had the kickoff meeting to review health care benefits. There were no changes this year in the benefits. In 2023, initial actuary is coming in with a 9% increase on medical and pharmaceuticals. Our lost experience is at about 100%.

Dr. Dean Gushee shared that there are two cases of Monkey Pox in Mason County.

Dr. Gushee shared that our IT CommunityWorks department is in need for more space.

Dr. Gushee shared that their will be a lunch & learn on FMLA.

Adjourned at 9:53 a.m.

PUBLIC HOSPITAL DISTRICT NO. 1
OF MASON COUNTY, WASHINGTON

BY: _____

Attest: _____
