

COVID-19 Notice

No in-person attendance will be allowed, pursuant to Governor Inslee's Proclamation 20-28.

All meeting attendees, including Board of Commissioners, staff and members of the public shall participate virtually. No physical meeting location will be provided.

Audio Only: dial Phone Conference Line: **(509) 598-2842**

When prompted, enter Conference ID number: **702 065 698#**

Microsoft Teams meeting: Join on your computer or mobile app.

This option will allow you to join the meeting live.

[Click here to join the meeting](#)

Regular Session Agenda
Wednesday, October 26, 2022

Call to Order: 2:00

Approve Agenda: 2:00

Education Topic: 2:00

- Construction Plan Overview
 - ZGF: Jim Harman, Mark Gesinger & Craig Rizzo
 - OAC Services: Greg Andrews

Break: 3:15

Patient Story: 3:30

Public Comment: 3:40

Public comments are welcome orally, with a 3-minute limit, or may be submitted via email at commissioners@jeffersonhealthcare.org, or written and addressed to Commissioners at 834 Sheridan Street, Port Townsend, WA 98368. Written submissions must be received by 5:00 pm the day prior to the meeting.

Minutes: Action Requested 3:50

- September 28 Regular Session Meeting!(pgs 3-5)
- October 19 Special Session Meeting!(pgs 6-7)

Required Approvals: Action Requested 4:00

- September Warrants and Adjustments!(pgs 8-13)
- Medical Staff Credentials/ Appointments/ Reappointments

Budget Hearing for Fiscal Year 2022: Tyler Freeman, CFO 4:10

- 2022 Operations Budget Summary
 - 2022 Capital Budget Summary
 - Public Comment
 - Commission Discussion
-

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Adopt Resolutions: Action Requested 4:30

- Resolution 2022-09 With/Without Property Tax Increase
- Resolution 2022-10 Fiscal Year 2023 Budget

Quality Report: Brandie Manuel, CPSO 4:40

Financial Report: Tyler Freeman, CFO 4:55

Administrative Report: Mike Glenn, CEO 5:10

- Project Update
- Medical Staff Report Update

Board Business: 5:25

- Board of Health Report
- Appoint an Independent Auditor
- Agenda Evaluation
- Meeting Evaluation

Executive Session: 5:45

Conclude: 6:15

This Regular Session will be officially recorded. The times shown in the agenda are estimates only.

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When prompted, enter Conference ID number: 702065698#

Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, September 28, 2022

Call to Order:

The meeting was called to order at 2:01pm by Board Chair Buhler Rienstra. Present by phone and video were Commissioners Dressler, McComas, Kolff and Ready. Also, in attendance were Mike Glenn, CEO, Tyler Freeman, Chief Financial Officer, Jake Davidson, Chief Ancillary & Specialty Services Officer, Brandie Manuel, Chief Patient Safety Quality Officer, and Brittany Huntingford, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Approve Agenda

Commissioner Dressler made a motion to approve the amended agenda. Commissioner Kolff seconded.

Action: Motion passed unanimously.

Board Governance Education:

- Generative Governance discussion

Commissioners discussed the value of Generative Governance discussions and the frequency.

Education Topic:

- Expanding the Healthcare Workforce
 - Caitlin Harrison, Workforce Development Manager

Caitlin Harrison, Workforce Development Manager gave a presentation on expanding the Healthcare Workforce.

Discussion ensued.

Break:

Commissioners recessed for a break at 2:59 pm.
Commissioner reconvened from the break at 3:15 pm.

Patient Story:

Tina Toner, CNO shared a patient story that thanked Dr. Lawrence and the staff at Jefferson Healthcare Surgical Associates.

Public Comment:

No public comment was made.

Minutes:

- August 24 Special Session Minutes

Commissioner Dressler made a motion to approve minutes. Commissioner McComas seconded.

Action: Motion passed unanimously.

Required Approvals: Action Requested

- August Warrants and Adjustments
- Medical Staff Credentials/Appointments/Reappointments

Commissioner McComas made a motion to approve the August Warrants and Adjustments, and Medical Staff Credentials/ Appointments/ Reappointments.
Commissioner Dressler seconded.

Action: Motion passed unanimously.

Quality Report:

Brandie Manuel, CPSQO presented the July Quality Report

Financial Report:

Tyler Freeman, CFO, presented the July Financial Report.

Administrative Report

Mike Glenn, CEO, presented the July Administrative report.

Board Business:

- Board of Health Report

Commissioner Kolff shared an update from the most recent Board of Health meeting. He also shared there is a CHIP manager position available.

Meeting Evaluation:

Commissioners evaluated the meeting.

Executive Session:

- Discuss the potential purchase and sale of property

Commissioners went into Executive Session for Thirty (30) minutes at 5:11 pm.

Commissioners came out of Executive Session at 5:40 pm.

Commissioner Kolff made a Motion to authorize the administration to purchase all property and buildings located on parcels 989800043, 989800045, 989800046, and 989800047 at 823 Commerce Loop and 803 W. Park Street Port Townsend, WA in the amount of \$1,623,000 and to execute all appropriate documents necessary and required in the purchase of the parcels. Commissioner McComas seconded.

Action: Motion passed unanimously

Conclude:

Commissioner Kolff made a motion to conclude the meeting. Commissioner Dressler seconded.

Action: Motion passed unanimously.

The meeting concluded at 5:43 pm.

Approved by the Commission:

Chair of Commission: Jill Buhler Rienstra _____

Secretary of Commission: Marie Dressler _____

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Jefferson County Public Hospital District No.2
Board of Commissioners, Special Session Minutes
Wednesday, October 19, 2022

Call to Order:

The meeting was called to order at 1:03 by Board Chair Buhler Rienstra. Present by phone and video were Commissioners Dressler, Kolff, and Ready. Commissioner McComas was excused. Also, in attendance was Mike Glenn, CEO, Tyler Freeman, Chief Financial Officer, Jake Davidson, Chief Ancillary & Specialty Services Officer & Interim Chief Ambulatory Medical Group Officer, Allison Crispen, Interim Chief Human Resources Officer, Heather Bailey, Interim Chief Human Resources Officer, Brandie Manuel, Chief Patient Safety and Quality Officer, Tina Toner, Chief Nursing Officer, and Brittany Huntingford, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Work Session:

The purpose of this special session was to have the Jefferson County Public Hospital District No. 2 Commissioners review and discuss the 2023 Budget. No action will be taken.

Tyler Freeman, CFO, presented the Operating and Capital Budget (p) review which included updates on Vocabulary reference Budget Process, Philosophy, and Key Themes as we head into 2023, Property Tax Assessment, Community Benefit, Public Hospital District Tax Support Across Our Region, draft Income Statement, statistics, and Capital budget.

Discussion ensued.

Commissioner Dressler made a motion to conclude. Commissioner Kolff seconded.

The meeting concluded at 2:40 pm.

Action: motion passed unanimously.

Approved by the Commission:

Chair of Commission: Jill Buhler Rienstra _____

Secretary of Commission: Marie Dressler _____

DRAFT

STATISTIC DESCRIPTION

	SEPTEMBER 2022						SEPTEMBER 2021			
	MO ACTUAL	MO BUDGET	% VARIANCE	YTD ACTUAL	YTD BUDGET	% VARIANCE	MO ACTUAL	% VARIANCE	YTD ACTUAL	% VARIANCE
FTEs - TOTAL (AVG)	584.37	625.21	7%	573.81	625.21	8%	592.00	1%	608.80	6%
FTEs - PRODUCTIVE (AVG)	515.90	559.80	8%	515.08	559.80	8%	521.82	1%	540.95	5%
ADJUSTED PATIENT DAYS	2,736	2,719	1%	26,257	24,742	6%	3,737	-27%	16,540	59%
ICU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)	97	73	33%	956	666	44%	108	-10%	719	25%
ACU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)	288	268	7%	2,577	2,436	6%	308	-6%	2,446	5%
SWING IP PATIENT DAYS (MIDNIGHT CENSUS)	-	16	-100%	63	142	-56%	-	0%	105	-67%
PATIENT DAYS (ACU, ICU, SWING), INCLUDES OBSERVATION	385	357	8%	3,596	3,244	11%	416	-7%	3,270	9%
BIRTHS	8	8	0%	80	72	11%	4	100%	65	19%
SURGERY CASES (IN OR)	128	134	-4%	1,096	1,221	-10%	112	14%	1,126	-3%
SURGERY MINUTES (IN OR)	17,969	16,680	8%	138,206	151,787	-9%	14,170	27%	147,745	-7%
SPECIAL PROCEDURE CASES	92	76	21%	644	695	-7%	72	28%	668	-4%
LAB BILLABLE TESTS	19,614	21,544	-9%	187,827	196,051	-4%	22,384	-12%	197,332	-5%
BLOOD BANK UNITS MATCHED	40	-	0%	347	-	0%	-	0%	-	100%
MRIs COMPLETED	214	211	1%	1,804	1,918	-6%	197	9%	1,861	-3%
CT SCANS COMPLETED	578	546	6%	5,205	4,967	5%	562	3%	4,995	4%
RADIOLOGY DIAGNOSTIC TESTS	1,636	1,548	6%	14,100	14,084	0%	1,555	5%	13,999	1%
ECHOs COMPLETED	190	172	10%	1,644	1,569	5%	193	-2%	1,497	9%
ULTRASOUNDS COMPLETED	259	341	-24%	2,764	3,106	-11%	301	-14%	3,037	-10%
MAMMOGRAPHS COMPLETED	3	274	-99%	1,010	2,491	-59%	240	-99%	2,353	-133%
NUCLEAR MEDICINE TESTS	54	51	6%	382	464	-18%	35	54%	433	-13%
TOTAL DIAGNOSTIC IMAGING TESTS	2,934	3,143	-7%	26,909	28,599	-6%	3,083	-5%	28,175	-5%
PHARMACY MEDS DISPENSED	19,418	20,579	-6%	171,887	187,266	-8%	21,372	-9%	178,240	-4%
ANTI COAG VISITS	378	395	-4%	3,594	3,592	0%	375	1%	3,588	0%
RESPIRATORY THERAPY PROCEDURES	3,183	2,899	10%	26,709	26,379	1%	3,702	-14%	25,571	4%
PULMONARY REHAB RVUs	64	122	-48%	381	1,111	-66%	-	0%	908	-138%
PHYSICAL THERAPY RVUs	6,385	8,005	-20%	61,122	72,847	-16%	6,352	1%	66,034	-8%
OCCUPATIONAL THERAPY RVUs	1,054	1,063	-1%	10,834	9,671	12%	647	63%	9,186	15%
SPEECH THERAPY RVUs	85	286	-70%	1,347	2,600	-48%	291	-71%	2,622	-95%
REHAB/PT/OT/ST RVUs	7,588	9,476	-20%	73,684	86,229	-15%	7,290	4%	78,750	-7%
ER CENSUS	1,113	954	17%	9,447	8,683	9%	957	16%	8,775	7%
EXPRESS CLINIC	1,111	740	50%	8,453	6,732	26%	888	25%	6,437	24%
SOCO PATIENT VISITS	71	132	-46%	822	1,206	-32%	103	-31%	1,088	-32%
PORT LUDLOW PATIENT VISITS	668	662	1%	6,119	6,022	2%	634	5%	5,616	8%
SHERIDAN PATIENT VISITS	2,490	2,695	-8%	21,970	24,526	-10%	2,738	-9%	23,806	-8%
DENTAL CLINIC	495	416	19%	3,756	3,789	-1%	391	27%	3,553	5%
WATERSHIP CLINIC PATIENT VISITS	738	1,102	-33%	9,321	10,025	-7%	892	-17%	9,205	1%
TOWNSEND PATIENT VISITS	536	563	-5%	4,651	5,123	-9%	543	-1%	4,982	-7%
TOTAL RURAL HEALTH CLINIC VISITS	6,109	6,310	-3%	55,092	57,423	-4%	6,189	-1%	54,687	1%
CARDIOLOGY CLINIC VISITS	462	435	6%	4,396	3,955	11%	478	-3%	4,270	3%
DERMATOLOGY CLINIC VISITS	582	725	-20%	5,923	6,600	-10%	705	-17%	5,081	14%
GEN SURG PATIENT VISITS	243	340	-29%	2,515	3,090	-19%	309	-21%	2,809	-12%
ONCOLOGY VISITS	519	573	-9%	4,833	5,210	-7%	544	-5%	4,828	0%
ORTHO PATIENT VISITS	779	830	-6%	6,998	7,553	-7%	800	-3%	6,288	10%
SLEEP CLINIC VISITS	183	82	123%	1,479	747	98%	147	24%	875	41%
UROLOGY VISITS	173	184	-6%	1,344	1,674	-20%	192	-10%	1,599	-19%
WOMENS CLINIC VISITS	284	329	-14%	2,253	2,998	-25%	261	9%	2,632	-17%
WOUND CLINIC VISITS	151	298	-49%	1,931	2,712	-29%	245	-38%	2,323	-20%
TOTAL SPECIALTY CLINIC VISITS	3,376	3,796	-11%	31,672	34,539	-8%	3,681	-8%	30,705	3%
SLEEP CENTER SLEEP STUDIES	57	41	39%	469	375	25%	56	2%	335	29%
INFUSION CENTER VISITS	742	819	-9%	7,203	7,450	-3%	787	-6%	6,851	5%
SURGERY CENTER ENDOSCOPIES	59	81	-27%	575	738	-22%	81	-27%	694	-21%
HOME HEALTH EPISODES	35	50	-30%	430	458	-6%	49	-29%	450	-5%
HOSPICE CENSUS/DAYS	777	1,046	-26%	7,015	9,521	-26%	859	-10%	10,144	-45%
CARDIAC REHAB SESSIONS	8	60	-87%	8	546	-99%	-	0%	468	-5750%
DIETARY MEALS SERVED	10,607	7,174	48%	84,656	65,286	30%	3,493	204%	59,292	30%
MAT MGMT TOTAL ORDERS PROCESSED	1,501	1,721	-13%	13,755	15,660	-12%	1,709	-12%	15,372	-12%
EXERCISE FOR HEALTH PARTICIPANTS	-	-	0%	-	-	0%	-	0%	-	0%

Gross Revenue
Inpatient Revenue
Outpatient Revenue

Total Gross Revenue

Revenue Adjustments

Cost Adjustment Medicaid
Cost Adjustment Medicare
Charity Care
Contractual Allowances Other
Administrative Adjustments
Allowance for Uncollectible Accounts

Total Revenue Adjustments

Net Patient Service Revenue

Other Revenue

340B Revenue
Other Operating Revenue

Total Operating Revenues

Operating Expenses

Salaries And Wages
Employee Benefits
Professional Fees
Purchased Services
Supplies
Insurance
Leases And Rentals
Depreciation And Amortization
Repairs And Maintenance
Utilities
Licenses And Taxes
Other

Total Operating Expenses
Operating Income (Loss)

Non Operating Revenues (Expenses)

Taxation For Maint Operations
Taxation For Debt Service
Investment Income
Interest Expense
Bond Issuance Costs
Gain or (Loss) on Disposed Asset
Contributions

Total Non Operating Revenues (Expenses)

Change in Net Position (Loss)

	September 2022 Actual	September 2022 Budget	Variance Favorable/ (Unfavorable)	%	September 2022 YTD	September 2022 Budget YTD	Variance Favorable/ (Unfavorable)	%	September 2021 YTD
Inpatient Revenue	3,789,650	3,255,393	534,257	16%	31,490,857	29,624,073	1,866,783	6%	28,658,428
Outpatient Revenue	23,135,730	23,456,232	(320,502)	-1%	205,208,755	213,451,714	(8,242,959)	-4%	195,032,596
Total Gross Revenue	26,925,380	26,711,625	213,755	1%	236,699,612	243,075,787	(6,376,175)	-3%	223,691,024
Revenue Adjustments									
Cost Adjustment Medicaid	1,997,782	2,212,628	214,846	10%	18,610,588	20,134,912	1,524,323	8%	17,780,270
Cost Adjustment Medicare	10,114,873	9,128,957	(985,916)	-11%	85,075,178	83,073,512	(2,001,667)	-2%	77,663,965
Charity Care	97,989	204,694	106,705	52%	1,092,560	1,862,714	770,154	41%	3,083,534
Contractual Allowances Other	2,541,723	2,549,267	7,544	0%	22,823,391	23,198,330	374,939	2%	19,161,954
Administrative Adjustments	51,359	85,043	33,683	40%	457,290	773,887	316,597	41%	348,445
Allowance for Uncollectible Accounts	58,576	415,389	356,813	86%	1,275,736	3,780,037	2,504,302	66%	5,916,706
Total Revenue Adjustments	14,862,301	14,595,977	(266,324)	-2%	129,334,743	132,823,391	3,488,649	3%	123,954,875
Net Patient Service Revenue	12,063,079	12,115,648	(52,569)	0%	107,364,869	110,252,396	(2,887,527)	-3%	99,736,149
Other Revenue									
340B Revenue	227,343	367,107	(139,764)	-38%	2,394,754	3,340,673	(945,918)	-28%	2,975,135
Other Operating Revenue	335,332	172,823	162,509	94%	4,354,687	1,572,692	2,781,996	177%	2,980,358
Total Operating Revenues	12,625,753	12,655,578	(29,825)	0%	114,114,311	115,165,760	(1,051,450)	-1%	105,691,642
Operating Expenses									
Salaries And Wages	5,810,035	6,355,305	545,271	9%	54,341,404	57,833,279	3,491,875	6%	51,849,684
Employee Benefits	1,075,067	1,477,375	402,308	27%	12,329,670	13,444,112	1,114,442	8%	12,162,775
Professional Fees	1,051,498	163,970	(887,528)	-541%	4,654,734	1,492,128	(3,162,606)	-212%	1,537,779
Purchased Services	668,544	730,477	61,932	8%	6,361,345	6,647,340	285,995	4%	6,783,039
Supplies	3,162,540	2,436,505	(726,034)	-30%	23,672,517	22,172,199	(1,500,318)	-7%	21,239,463
Insurance	152,530	120,863	(31,667)	-26%	1,027,343	1,099,851	72,508	7%	797,866
Leases And Rentals	(279,313)	48,659	327,972	674%	407,670	442,793	35,123	8%	220,029
Depreciation And Amortization	530,119	512,144	(17,975)	-4%	3,909,567	4,660,513	750,946	16%	4,447,571
Repairs And Maintenance	259,382	93,215	(166,167)	-178%	785,172	848,258	63,086	7%	500,716
Utilities	97,502	83,900	(13,602)	-16%	1,046,955	763,490	(283,465)	-37%	928,925
Licenses And Taxes	93,338	75,579	(17,760)	-23%	691,691	687,767	(3,924)	-1%	594,164
Other	261,419	233,482	(27,936)	-12%	1,742,091	2,124,689	382,598	18%	1,373,347
Total Operating Expenses	12,882,661	12,331,474	(551,187)	-4%	110,970,158	112,216,417	1,246,260	1%	102,435,357
Operating Income (Loss)	(256,908)	324,104	(581,012)	-179%	3,144,153	2,949,343	194,810	7%	3,256,285
Non Operating Revenues (Expenses)									
Taxation For Maint Operations	24,016	23,934	82	0%	216,143	217,802	(1,659)	-1%	235,926
Taxation For Debt Service	22,501	18,066	4,435	25%	190,287	164,398	25,889	16%	322,506
Investment Income	92,410	27,288	65,123	239%	339,437	248,318	91,120	37%	46,944
Interest Expense	(92,766)	(74,588)	(18,178)	-24%	(720,774)	(678,750)	(42,024)	-6%	(800,006)
Bond Issuance Costs	-	-	-	0%	-	-	-	0%	0
Gain or (Loss) on Disposed Asset	-	-	-	0%	-	-	-	0%	-
Contributions	-	8,492	(8,492)	-100%	33,614	77,276	(43,662)	-57%	32,387
Total Non Operating Revenues (Expenses)	46,161	3,192	42,969	-1346%	58,708	29,044	29,663	-102%	(162,242)
Change in Net Position (Loss)	(210,747)	327,295	(538,042)	-164%	3,202,860	2,978,387	224,473	8%	3,094,042

JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: TYLER FREEMAN, CFO
RE: SEPTEMBER 2022 WARRANT SUMMARY

The following items need to be approved at the next commission meeting:

General Fund Warrants & ACH Transfers	\$24,125,569.90	(Provided under separate cover)
Allowance for Uncollectible Accounts / Charity	\$207,923.94	(Attached)
Canceled Warrants	\$0.00	(Attached)

JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: TYLER FREEMAN, CFO
RE: SEPTEMBER 2022 GENERAL FUND WARRANTS & ACH
FUND TRANSFERS

Submitted for your approval are the following warrants:

GENERAL FUND:

292615	293435	\$6,741,919.16
ACH TRANSFERS		<u>\$17,383,650.74</u>
		<u>\$24,125,569.90</u>
YEAR-TO-DATE:		<u><u>\$175,686,176.17</u></u>

Warrants are available for review if requested.

JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: TYLER FREEMAN, CFO
RE: SEPTEMBER 2022 ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS, ADMINISTRATIVE, AND CHARITY CARE WRITE OFFS

Submitted for your approval are the following:

	SEPTEMBER	SEPTEMBER YTD	SEPTEMBER YTD BUDGET
Allowance for Uncollectible Accounts:	58,575.56	1,275,735.65	3,780,037.38
Charity Care:	97,989.04	1,092,559.58	1,862,713.68
Other Administrative Adjustments:	51,359.34	457,289.93	773,886.93
TOTAL FOR MONTH:	\$207,923.94	2,825,585.16	\$6,416,637.99

JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: TYLER FREEMAN, CFO
RE: SEPTEMBER 2022 WARRANT CANCELLATIONS

State law requires you to pass a resolution canceling any warrants which are not presented to the Treasurer for payment within one year of issue.

DATE	WARRANT	AMOUNT
------	---------	--------

No warrants need cancel this month.

TOTAL:

\$	-
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