Due to the presence of multiple respiratory illness, Jefferson Healthcare is still highly encouraging practice of high infection protocols. You may choose to attend this meeting virtually by accessing the information below or can attend in person in the administration hall Executive Conference Room. Limited seating available.

Audio Only: dial Phone Conference Line: (509) 598-2842
When prompted, enter Conference ID number: 572 938 342#

Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, March 22, 2023

Call to Order:
The meeting was called to order at 2:02 pm by Board Chair Buhler Rienstra. Present by phone and video were Commissioners Buhler-Rienstra, Dressler, Kolff, and Ready. Also, in attendance was Mike Glenn, CEO, Tina Toner, Chief Nursing Officer, Tyler Freeman, Chief Financial Officer, Jake Davidson, Chief Operating Officer, Heather Bailey, Interim Chief Human Resources Officer, and Christina Avila, Executive Assistant. This meeting was officially audio recorded by Jefferson Healthcare. Commissioner McComas was excused.

Approve Agenda:
Commissioner Kolff made a motion to approve the agenda. Commissioner Dressler seconded. Action: Motion passed unanimously.

Patient Story:
Tina Toner, Chief Nursing Officer, shared two thank you letters. The first letter was to thank Jefferson Healthcare for the care that they received, with specific thanks to CJ, Kevin, Sarah, Paul, Marsha, Tabitha, Lynn, Christie, Catherine, Matthew, Michael, Matt, Andrew, Peter, Todd, Aaron, Lauren, Leslie, Paige, Dr. Tirado, Dr. Schwartz, and Dr. Bowman. The second letter was to thank inpatient services and ED for helping during the patient’s multiple visits. They stated that they were pleasantly surprised at the level of respect, courtesy, and compassion that they encountered at the ED. Discussion ensued.

Public Comment:
No public comment was made.
Minutes:
- February 28, 2023 Special Session Minutes
Commissioner Ready made a motion to approve the February 28, 2023 Special Session Minutes. Commissioner Dressler seconded.
Action: Motion passed unanimously

Required Approvals: Action Requested
- Resolution 2023-03 Surplus Equipment
- Resolution 2023-04 Cancelled Warrants
- February Warrants and Adjustments
- Medical Staff Credentials/ Appointments/ Reappointments

Board Chair Buhler Rienstra noted that the cancelled warrants were adjusted to reflect the correct resolution number of 2023-04 and asked if any other commissioners had changes to note. Commissioner Dressler stated that there was a change to the Med Rec to move one of the providers to next month. Commissioner Kolff made a motion to approve the Required Approvals as amended. Commissioner Dressler seconded as amended.
Action: Motion passed unanimously

HR Report:
Heather Bailey, Interim Chief Human Resources Officer, presented the HR Report. Discussion ensued.

Financial Report:

Administrative Report:
Mike Glenn, CEO, presented the March Administrative report. Discussion ensued.
Commissioner Kolff moved to approve OrgChart. Commissioner Ready seconded.
Action: Motion passed unanimously

Break:
Commissioners recessed for break at 3:46 pm.
Commissioners reconvened from Break at 4:00 pm.

Clinical Report:
Dr. Mattern provided a clinical update which included Covid protocols, end of mask mandate in April, end of flu season and how this will impact mask use in hospital and care settings, and DNV site visit. Discussion ensued.
**Board Business:**
- Board of Health Report

Commissioner Kolff shared a Board of Health update that included the resource investment for primary care post-covid, the importance of remaining financially independent to be able to meet the challenges of this community, and a reminder that next month will be dedicated to honoring health heroes in the community with the Public Health Heroes awards. Discussion ensued.

**Meeting Evaluation:**
Commissioners evaluated the meeting.

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

**Action:** Motion passed unanimously.

The meeting concluded at 4:51 pm.

Approved by the Commission:
Chair of Commission: Jill Buhler Rienstra
Secretary of Commission: Marie Dressler
Talent Acquisition 2.0

The Core Key to our Culture

Effective talent acquisition strategies that attract top talent in a more timely manner which allows for culture work to take hold
New Hires by Month (tracking began 11/22)

130 Positions Filled

- **Nov-22**: 25 New Hires, 18 Internal Transfers, 43 filled
- **Dec-22**: 15 New Hires, 11 Internal Transfers, 26 filled
- **Jan-23**: 19 New Hires, 13 Internal Transfers, 32 filled
- **Feb-23**: 26 New Hires, 8 Internal Transfers, 34 filled

- Fall 2022: ~150 open positions
Open Positions

A Steady Decline

Open Positions
Non-Critical Positions
Total Benefited FTE

Open Positions REDUCED by 23%
Talent Acquisition 2.0
The How

**SOURCING** and **SEEKING OUT** Passive Candidates

- Implemented new methods and resources for finding candidates. *NO MORE POST AND PRAY!*
- LinkedIn, online, social media, job boards, current application system, community engagement and networking
- Implemented “Boolean” and other search algorithms to target passive candidate
- Selling our organization & the community
- Creating and nurturing candidate relationships – it works!

**DRASTIC Process** **IMPROVEMENT**

- Complete overhaul of recruitment process
- Leaders lead, Recruiters recruit
- Realigned roles/responsibilities across team
- Improved essential internal tools and processes to include offers and onboarding
- Organized weekly data and metrics created and monitored starting November 2022
- Project management and tracking
- Improved rental process
Projections

The Next Four Months

- **Open positions**
- **Benefited FTE**
- **Linear (Open positions)**

23% Decrease

30% Reduction in Open Positions Projected End of June.
February 2023 Finance Report
March 22nd, 2023
Tyler Freeman, CFO
# February 2023
## Operating Statistics

<table>
<thead>
<tr>
<th>STATISTIC DESCRIPTION</th>
<th>FEBRUARY 2023</th>
<th>FEBRUARY 2022</th>
<th>% VARIANCE</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>% VARIANCE</th>
<th>MO ACTUAL</th>
<th>% VARIANCE</th>
<th>YTD ACTUAL</th>
<th>% VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTEs - TOTAL (AVG)</td>
<td>598</td>
<td>625</td>
<td>4%</td>
<td>598</td>
<td>625</td>
<td>4%</td>
<td>592</td>
<td>-1%</td>
<td>571</td>
<td>-5%</td>
</tr>
<tr>
<td>ADJUSTED PATIENT DAYS</td>
<td>3,080</td>
<td>2,746</td>
<td>12%</td>
<td>6,663</td>
<td>5,787</td>
<td>15%</td>
<td>3,737</td>
<td>-18%</td>
<td>5,222</td>
<td>28%</td>
</tr>
<tr>
<td>ICU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>80</td>
<td>97</td>
<td>-18%</td>
<td>164</td>
<td>205</td>
<td>-20%</td>
<td>292</td>
<td>10%</td>
<td>642</td>
<td>0%</td>
</tr>
<tr>
<td>ACU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>322</td>
<td>268</td>
<td>20%</td>
<td>645</td>
<td>565</td>
<td>14%</td>
<td>402</td>
<td>3%</td>
<td>860</td>
<td>0%</td>
</tr>
<tr>
<td>PATIENT DAYS (ACU, ICU, SWING), INCLUDES OBSERVATION</td>
<td>413</td>
<td>380</td>
<td>9%</td>
<td>820</td>
<td>802</td>
<td>2%</td>
<td>43</td>
<td>74%</td>
<td>75</td>
<td>49%</td>
</tr>
<tr>
<td>SURGERY CASES (IN OR)</td>
<td>114</td>
<td>121</td>
<td>-6%</td>
<td>251</td>
<td>254</td>
<td>-1%</td>
<td>96</td>
<td>19%</td>
<td>206</td>
<td>18%</td>
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<tr>
<td>SPECIAL PROCEDURE CASES</td>
<td>75</td>
<td>64</td>
<td>17%</td>
<td>148</td>
<td>135</td>
<td>10%</td>
<td>43</td>
<td>74%</td>
<td>75</td>
<td>49%</td>
</tr>
<tr>
<td>LAB BILLABLE TESTS</td>
<td>17,037</td>
<td>19,719</td>
<td>-14%</td>
<td>39,136</td>
<td>41,552</td>
<td>-6%</td>
<td>19,995</td>
<td>-15%</td>
<td>43,230</td>
<td>-10%</td>
</tr>
<tr>
<td>TOTAL DIAGNOSTIC IMAGING TESTS</td>
<td>3,171</td>
<td>2,922</td>
<td>9%</td>
<td>6,677</td>
<td>6,115</td>
<td>8%</td>
<td>3,002</td>
<td>6%</td>
<td>5,970</td>
<td>11%</td>
</tr>
<tr>
<td>PHARMACY MEDS DISPENSED</td>
<td>24,971</td>
<td>17,972</td>
<td>39%</td>
<td>46,530</td>
<td>37,869</td>
<td>23%</td>
<td>17,879</td>
<td>40%</td>
<td>38,563</td>
<td>17%</td>
</tr>
<tr>
<td>RESPIRATORY THERAPY PROCEDURES</td>
<td>2,745</td>
<td>2,943</td>
<td>-7%</td>
<td>5,646</td>
<td>6,202</td>
<td>-9%</td>
<td>3,156</td>
<td>-13%</td>
<td>7,215</td>
<td>-28%</td>
</tr>
<tr>
<td>REHAB/PT/OT/ST</td>
<td>7,008</td>
<td>8,542</td>
<td>-18%</td>
<td>15,069</td>
<td>18,000</td>
<td>-16%</td>
<td>7,317</td>
<td>-4%</td>
<td>15,130</td>
<td>0%</td>
</tr>
<tr>
<td>ER CENSUS</td>
<td>1,071</td>
<td>965</td>
<td>11%</td>
<td>2,155</td>
<td>2,032</td>
<td>6%</td>
<td>848</td>
<td>26%</td>
<td>1,820</td>
<td>16%</td>
</tr>
<tr>
<td>DENTAL CLINIC</td>
<td>417</td>
<td>378</td>
<td>10%</td>
<td>871</td>
<td>798</td>
<td>9%</td>
<td>403</td>
<td>3%</td>
<td>778</td>
<td>11%</td>
</tr>
<tr>
<td>TOTAL RURAL HEALTH CLINIC VISITS</td>
<td>5,799</td>
<td>5,983</td>
<td>-3%</td>
<td>12,348</td>
<td>12,605</td>
<td>-2%</td>
<td>5,402</td>
<td>7%</td>
<td>11,108</td>
<td>10%</td>
</tr>
<tr>
<td>TOTAL SPECIALTY CLINIC VISITS</td>
<td>3,282</td>
<td>3,531</td>
<td>-7%</td>
<td>6,902</td>
<td>7,443</td>
<td>-7%</td>
<td>3,299</td>
<td>-1%</td>
<td>6,573</td>
<td>5%</td>
</tr>
</tbody>
</table>
## February 2023
### Income Statement Summary

<table>
<thead>
<tr>
<th></th>
<th>February 2023 Actual</th>
<th>February 2023 Budget</th>
<th>Variance Favorable/ (Unfavorable) %</th>
<th>February 2023 YTD</th>
<th>February 2023 Budget YTD</th>
<th>Variance Favorable/ (Unfavorable) %</th>
<th>February 2021 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Patient Service Revenue</td>
<td>26,786,491</td>
<td>26,637,427</td>
<td>149,064</td>
<td>1%</td>
<td>55,905,266</td>
<td>(223,598)</td>
<td>0%</td>
</tr>
<tr>
<td>Revenue Adjustments</td>
<td>14,116,563</td>
<td>14,313,853</td>
<td>197,290</td>
<td>1%</td>
<td>29,822,827</td>
<td>30,161,333</td>
<td>338,506</td>
</tr>
<tr>
<td>Charity Care Adjustments</td>
<td>189,660</td>
<td>169,703</td>
<td>(19,957)</td>
<td>-12%</td>
<td>393,081</td>
<td>357,589</td>
<td>(35,492) -10%</td>
</tr>
<tr>
<td>Net Patient Service Revenue</td>
<td>12,480,268</td>
<td>12,153,871</td>
<td>326,397</td>
<td>3%</td>
<td>25,689,358</td>
<td>25,609,942</td>
<td>79,416</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>509,613</td>
<td>408,834</td>
<td>100,779</td>
<td>25%</td>
<td>1,057,394</td>
<td>861,472</td>
<td>195,923</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>12,989,881</td>
<td>12,562,705</td>
<td>427,176</td>
<td>3%</td>
<td>26,746,752</td>
<td>26,471,413</td>
<td>275,339</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries And Wages</td>
<td>5,817,682</td>
<td>6,231,841</td>
<td>414,159</td>
<td>7%</td>
<td>11,887,576</td>
<td>13,131,380</td>
<td>1,243,803 9%</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>1,314,757</td>
<td>1,412,977</td>
<td>98,219</td>
<td>7%</td>
<td>2,997,891</td>
<td>2,977,344</td>
<td>(20,547) -1%</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>5,358,248</td>
<td>4,553,604</td>
<td>(804,643)</td>
<td>-18%</td>
<td>11,009,843</td>
<td>9,595,095</td>
<td>(1,414,749) -15%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>12,490,688</td>
<td>12,198,422</td>
<td>(292,265)</td>
<td>-2%</td>
<td>25,895,310</td>
<td>25,703,819</td>
<td>(191,492) -1%</td>
</tr>
<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>499,193</td>
<td>364,282</td>
<td>134,911</td>
<td>37%</td>
<td>851,442</td>
<td>767,595</td>
<td>83,847 11%</td>
</tr>
<tr>
<td><strong>Total Non Operating Revenues (Expenses)</strong></td>
<td>126,261</td>
<td>(1,563)</td>
<td>127,824</td>
<td>8180%</td>
<td>245,156</td>
<td>(3,293)</td>
<td>248,449 7546%</td>
</tr>
<tr>
<td><strong>Change in Net Position (Loss)</strong></td>
<td>625,454</td>
<td>362,720</td>
<td>262,735</td>
<td>72%</td>
<td>1,096,598</td>
<td>764,302</td>
<td>332,296 43%</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>3.8%</td>
<td>2.9%</td>
<td>0.9%</td>
<td>32.5%</td>
<td>3.2%</td>
<td>2.9%</td>
<td>0.28% 9.8%</td>
</tr>
<tr>
<td><strong>Total margin</strong></td>
<td>4.8%</td>
<td>2.9%</td>
<td>0.9%</td>
<td>66.8%</td>
<td>4.1%</td>
<td>2.9%</td>
<td>1.21% 42.0%</td>
</tr>
<tr>
<td><strong>Salaries &amp; Benefits as a % of net pt svc rev</strong></td>
<td>-57.1%</td>
<td>-62.9%</td>
<td>5.8%</td>
<td>91%</td>
<td>-57.9%</td>
<td>-62.9%</td>
<td>4.96% 7.9%</td>
</tr>
</tbody>
</table>

**Change in Net Position (Loss)**

- **February 2023 Actual**: 625,454
- **February 2023 Budget**: 362,720
- **February 2023 YTD**: 262,735
- **February 2021 YTD**: 1,096,598

**Operating Margin**

- **February 2023 Actual**: 3.8%
- **February 2023 Budget**: 2.9%
- **February 2023 YTD**: 3.2%
- **February 2021 YTD**: 2.9%

**Total margin**

- **February 2023 Actual**: 4.8%
- **February 2023 Budget**: 2.9%
- **February 2023 YTD**: 4.1%
- **February 2021 YTD**: 2.9%

**Salaries & Benefits as a % of net pt svc rev**

- **February 2023 Actual**: -57.1%
- **February 2023 Budget**: -62.9%
- **February 2023 YTD**: -57.9%
- **February 2021 YTD**: -62.9%
February 2023
Cash and Accounts Receivable

Days Cash and Accounts Receivable

<table>
<thead>
<tr>
<th>Date</th>
<th>Days Cash</th>
<th>Days A/R</th>
<th>Days CASH</th>
<th>Days A/R Goal</th>
<th>Days Cash Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>2/28/2022</td>
<td>45.60</td>
<td>150</td>
<td>150</td>
<td>90</td>
<td>150</td>
</tr>
<tr>
<td>3/31/2022</td>
<td>47.60</td>
<td>144</td>
<td>144</td>
<td>45</td>
<td>144</td>
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<tr>
<td>4/30/2022</td>
<td>46.55</td>
<td>142</td>
<td>142</td>
<td>45</td>
<td>142</td>
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<tr>
<td>5/31/2022</td>
<td>47.70</td>
<td>136</td>
<td>136</td>
<td>45</td>
<td>136</td>
</tr>
<tr>
<td>6/30/2022</td>
<td>48.49</td>
<td>130</td>
<td>130</td>
<td>45</td>
<td>130</td>
</tr>
<tr>
<td>7/31/2022</td>
<td>50.90</td>
<td>129</td>
<td>129</td>
<td>45</td>
<td>129</td>
</tr>
<tr>
<td>8/31/2022</td>
<td>50.52</td>
<td>128</td>
<td>128</td>
<td>45</td>
<td>128</td>
</tr>
<tr>
<td>9/30/2022</td>
<td>49.29</td>
<td>126</td>
<td>126</td>
<td>45</td>
<td>126</td>
</tr>
<tr>
<td>10/31/2022</td>
<td>52.33</td>
<td>113</td>
<td>113</td>
<td>45</td>
<td>113</td>
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<td>11/30/2022</td>
<td>53.20</td>
<td>110</td>
<td>110</td>
<td>45</td>
<td>110</td>
</tr>
<tr>
<td>12/31/2022</td>
<td>52.30</td>
<td>109</td>
<td>109</td>
<td>45</td>
<td>109</td>
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<tr>
<td>1/31/2023</td>
<td>52.41</td>
<td>111</td>
<td>111</td>
<td>45</td>
<td>111</td>
</tr>
</tbody>
</table>

Legend:
- DAYS OUTSTANDING IN A/R
- DAYS AR GOAL - 45
- DAYS AR GOAL - 90
- DAYS CASH GOAL - 90
March 2023
Preview – (*as of 0:00 3/22/23)

• $29,177,967 in Projected HB charges
  • Average: $941,225/day (HB only)
  • Budget: $947,481/day
  • 99.3% of Budget

• $11,639,865 in HB cash collections
  • Average: $375,480/day (HB only)
  • Goal: $417,444/day

• 52.9 Days in A/R

• Questions
Advocacy | State

- 2023 Legislative Session ends April 23rd, 2023
  - One month to go!
- Jefferson Healthcare’s Top 4 Priorities:
  - The Jefferson Reproductive and Gynecological Health Project
    - Highest priority for the rest of session.
  - Difficult to Discharge Patients
    - Addressing the guardianship issue did not move forward this session.
    - Potential for additional funding for difficult to discharge patients to support the unique needs they may have (SB 5103).
  - Maintaining Flexible Staffing Models and Innovative Ways to Support Nursing Staff
    - A solution is moving forward that supports WA State nursing staff and allows hospitals to continue to operate.
  - Supporting the Safety Net Assessment Program (SNAP)
    - WSHA is leading these negotiations, right now focused on the States portion of the funding and where it goes.
Advocacy | State

• With policy topics well underway, the shift to the budget is critical. Mike Glenn, Commissioner Buhler and Drs Skorberg and Luqman are going to Olympia next week to advocate for our appropriations request.
Advocacy | Federal

- Continuing to focus on fundraising.
- Economic Development Administration
  - No update here; will work on this request to support OR equipment in Q2/Q3
- Submitted our federal appropriations request for 2023 to all three offices
  - Still a difficult lift because of our recent success, but the project is necessary and appropriate.
  - Focus will be on expansion of critical services – specifically neurology, pulmonology, ENT, geriatrics ($2m)
- 2022 Appropriations process is underway
  - Non-competitive grant application due June 1, 2023.
Advocacy | Federal

- All 3 offices received this request with 25 letters of support from agencies across the community (!!)
- Mike, Jake and Jake Johnston are working on advocating for this project with our federal delegation.

Expanding Health Care for Rural Seniors

Jefferson Healthcare is committed to offering as many health services as are needed for Jefferson County residents. We are consistently striving to improve access and meet the growing healthcare needs of our community.

FY’23 Appropriations Funding Request

Project name: Jefferson Expanding Healthcare for Rural Seniors Project
Amount Requested: $2,000,000
Project cost: $9,600,000

Bringing Needed Specialty Care to Seniors in Jefferson County.
Jefferson Healthcare is the only community-owned and operator-integrated healthcare system in Jefferson County, providing the majority of all healthcare for the 10,000 residents. Seniors in Jefferson County face difficulty in accessing needed specialty medical care because of the geographic isolation. With almost an hour drive to the two nearest locations for specialty care, including having to go over a bridge that faces routine closures during the winter months, Jefferson County seniors rely on Jefferson Healthcare for the majority of their care. When a healthcare need arises that requires out-of-county travel, such as referrals to specialists in neurology, pulmonology, or geriatrics, many patients find it incredibly difficult to travel to these specialty clinics. In fact, many patients decide to forego necessary care due to the long and arduous commute.

To address this need for special care services for seniors that can be provided close to home, Jefferson Healthcare has embarked on a $16.6 million specialty care expansion project that will bring pulmonology, neurology, ENT, and geriatrics care to seniors in Jefferson County. We estimate that Jefferson Healthcare will be able to provide 6,000 patient visits annually with these services offered close to home, improving health care outcomes for our senior population. This clinic will add another 20 highly skilled, critical jobs to our community.

The Expanding Rural Healthcare for Seniors Project will support Jefferson County residents in receiving high-quality, full-spectrum care right here at home.

The Expanding Rural Healthcare for Seniors Project will support opening a new clinic that offers access to neurology, pulmonology, ENT, and geriatrics. This clinic will serve hundreds of patients annually who otherwise would have to travel at least one hour each way to specialty clinics in neighboring counties.

This project is strongly supported by the Jefferson County community and is expected to serve thousands of patients every year. The impact of COVID-19, the high cost of labor, and the current
ACO Update
Admin Report

• Replacement and expansion project update

• Pharmacy transition

• Healthier together update

• Other
Questions