

BAY AREA HOSPITAL DISTRICT BOARD MEETING
September 10, 2024, MINUTES
Bay Area Hospital Myrtle Conference Room @ 6:05 pm

BOARD EDUCATION SESSION – Cancelled this month in alignment with time needs for the strategic partnership exploration.

CALL TO ORDER

Mr. Troy Cribbins, Board Chairperson, called the Bay Area Hospital (BAH) District Board meeting to order at 6:05 pm. A quorum was present.

BOARD ATTENDANCE

Troy Cribbins, Patrice Parrott; Tom McAndrew, MD; Barb Taylor; Carma Erickson-Hurt; Renee Nelson

ABSENT

None

STAFF ATTENDANCE

Brian Moore, CEO; Jennifer Collins, CNO; Kelli Dion, CQO; Lee Saltzgaber, MD, CMO; Mary Lou Tate, CFO; Kim Winker, Marketing & Communications Director (*via Teams*); Dr. Paavani Atluri, MD, COS (Chief of Staff); Denise Bowers, EA

LEGAL COUNSEL

Megan Kronsteiner, Esq.

PUBLIC ATTENDANCE AND INPUT

There were members of the public in attendance in person and via Teams

GUESTS

Laura Elkins, Lovell Communications (*via Teams*)

PUBLIC INPUT

A member of the public shared comments with the board which indicated her consternation with the lack of transparency perceived, citing lack of board packet materials on the hospital's website. She shared that people in the community don't appear to be aware of the strategic exploration process. She cited the meeting of June 11, 2024, stating that the names of potential partners should have been included in the information that was released. She ended by sharing that she has seen the hospital's financials and believes that BAH is at risk.

REPORT OF THE BOARD CHAIRPERSON

Chairperson Cribbins stated that the board has been diligent and transparent with information as it has come in, acknowledging that some information has been protected under agreements to support robust participation from potential partners. He finished by saying that there is no intent on behalf of the Bay Area Hospital board of directors to withhold any information relevant to the public. Chairperson Cribbins invited the board to make comments.

BOARD COMMENTS

- Ms. Carma Erickson-Hurt agreed with Mr. Cribbins that the board’s desire is to be as transparent as possible. She additionally shared that she appreciates public feedback.
- Dr. Tom McAndrew shared that while he understood where the public is coming from regarding the release of confidential information, we do “walk a fine line with the ability to negotiate in a confidential manner”.
- Ms. Patrice Parrott said she appreciated the public attendance at the meeting and that the board will share more information as soon as possible.

EXPLORATION OF STRATEGIC PARTNERSHIP UPDATE and VOTE

Chair Cribbins clarified the decision before the board this evening to either (options 1 to 3 below)

1. Discontinue the strategic affiliation exploration
2. Verbalize acceptance of one partner
3. To approve moving forward with the strategic affiliation exploration

There was no additional discussion, and the board moved into the vote.

Action Taken by the Board:

Dr. Tom McAndrew moved to continue the affiliation exploration, advancing the participants to the next phase. Ms. Patrice Parrott seconded, and the motion carried on a call of vote with all board members (Cribbins, Parrott, McAndrew, Taylor, Erickson-Hurt and Nelson) casting a vote of approval.

Ms. Barbara Taylor clarified for the room that this is a Go/No-Go step and this evening’s vote was to Go and move forward to gain additional information on strategic affiliation.

CONSENT AGENDA

The consent agenda included:

Board Meeting Minutes – August 20, 2024; Board Work Session Minutes – August 21, 2024; Board Work Session Minutes – August 27, 2024; MEC Approved Minutes – July 31, 2024; Quality Approved Minutes – July 24, 2024; Finance Approved Minutes – July 23, 2024

Action Taken by the Board:

Ms. Barbara Taylor moved to approve the Consent Agenda as presented in the board packet. Ms. Carma Erickson-Hurt seconded, and the motion carried on a call of vote with all board members casting a vote of approval.

QUALITY AND PATIENT SAFETY COMMITTEE (QPSC) REPORT – Ms. Patrice Parrott

Ms. Parrott reviewed the Quality Executive Summary as presented in the packet. Highlights of the Quality and Patient Safety Committee were as follows:

Mr. D. Gauntz reported on the Diagnostic Imaging service line, including types of imaging and quality data. Mr. Z. Larson reported on fall data covering January 2024 through August 2024.

2024 Star Rating

Ms. K. Dion reported Bay Area Hospitals scores in various categories used to determine the Centers for Medicare and Medicaid Services. Recommended process improvement project should focus on HCAHPS and Readmissions.

2022 Joint Commission (TJC) Survey Report Card

Ms. M. Merrick reported on 8 of the original 45 findings that remain open. Ms. L. Menashian requested a current state versus future state analysis.

Quality and Patient Safety Report Card

No Catheter-Acquired Urinary Tract Infections (CAUTI) or Central Line Associated Bloodstream Infections (CLABSI) were found in July 2024. Patient Safety Indicator 90 (PSI 90) met the goal for June. Surgical Site Infections (SSI) did meet the goal, but this is preliminary data due to the surveillance period. Readmission met goal but Mortality did not meet the goal.

CHIEF EXECUTIVE OFFICER REPORT – Mr. Brian Moore, CEO

Hospital Volumes

Mr. Moore reports that BAH continues to be busy. Volumes over the summer have been busy with a positive increase in volumes and length of stay. There was reorganization in the structure of leadership over the Case Management department and with new systems in place and work to be done with the revenue cycle, the department was moved to report to the CFO to guide that work. The hospital's inpatient volume has increased 25% in the past 12 months – the philosophy to have a coordinated plan with patients and their family and physicians to discharge them to appropriate next care setting once our therapeutic time with them is complete. A patient's home is the most common discharge location, and we realize most patients are more comfortable at home. There is on-going work in this area. Questions were asked and answered.

Point of Order

Board members Ms. Barbara Taylor and Ms. Renee Nelson stepped out at 6:34 pm.
Board member Nelson returned at 6:36 pm; Board member Taylor did not return.

Governmental Update

Behavioral Health reimbursement methodology was studied in a recently completed, gubernatorially-commissioned actuarial study. Hospitals were informed of a new approach to reimbursement that may result in enhanced payment to hospitals when caring for patients of higher acuity and longer lengths of stay. Bay Area Hospital has not had time to model the prospective changes to understand their impact and may not be able to complete the modeling until after the rules for the new approach have been written. Bay Area Hospital participated in the process with the actuaries that examined drivers of increased costs and supported this new reimbursement methodology. This is good news with all the advocacies work the hospital has engaged in on behalf of improving Oregon's approach to behavioral health.

Savista Update

Mr. Moore shared that he has been lending executive support to recent meetings with our revenue cycle vendor, Savista, attending meetings with Ms. Tate weekly, as pressure increases for them to improve their performance. He asked Ms. Tate to provide a brief update to the board.

Ms. Tate reported that the biggest issue was the delay in securing Epic access and training for Savista staff. Over 100 Savista staff were onboarded, and we have limitations on class size for the required training. Savista is incentivizing their staff to pick up additional time, as well as bringing on Guidehouse, our former coding vendor, to address the backlog of work that developed in the transition. Savista is forecasting that the coding backlog will be resolved by the end of September. In addition to the weekly executive meeting, our revenue cycle director meets with key staff and departments daily.

Community Needs Health Assessment (CHNA)

This year BAH partnered with Coquille Valley Hospital in a joint CHNA, something that is required to be done every three years. Our CHNA is due December 21, 2024. The guidelines state that a subcommittee must be appointed, or the board must approve the assessment and implementation plan. Ms. Winker brought the plan to the board this evening for their approval.

Action Taken by the Board:

Ms. Carma Erickson-Hurt moved to approve the CHNA as presented this evening and as included in the packet. Ms. Patrice Parrott seconded, and the motion carried on a call of vote with all board members casting a vote of approval. There was a brief discussion after the vote, with questions asked and answered.

FINANCE REPORT – Ms. Barbara Taylor, Treasurer and Ms. Mary Lou Tate, CFO

As Ms. Taylor had to step out of the meeting and was unable to return, Ms. Tate reviewed the highlights of the last Finance Committee meeting and stated that we are on a capital freeze until the end of this month due to financial considerations. A new controller, Mr. Craig Adams, started six weeks ago after the retirement of former long-term controller, Sherry Horne.

Ms. Tate reviewed the financial data as presented to the finance committee and as was included in the board packet.

FINANCIAL PERFORMANCE REVIEW

July 2024 Operating Loss was \$1.1 Million vs a budget profit of \$684 Thousand
Year to date is the same

July 2024 Overall Loss at \$412 Thousand vs a budget profit of \$588 Thousand
Year to date is the same

July 2024 Operating EBIDA – \$149 Thousand Loss
Year to date is the same

July 2024 Cash and Cash equivalents balance is \$59.5 million, up slightly from last month

Overall, Bay Area Hospital reported a loss of **\$412K** in July, against a budgeted income of **\$588K**, compared to last year's loss of **\$974K**. Gross Revenue for July reached **\$61.1M**, below the budgeted **\$64.1M** by **\$3.0M** (approximately -4.6%). Net Revenue ended the month at **\$20.0M**, with a Net to Gross Revenue Margin of **32.7%**, **\$2.4M** below the budgeted **\$22.4M**. The Commercial Payer mix in July was significantly challenging, contributing to the lower net revenue numbers. July's Gross Revenues were below budget by **\$2.95M (-4.6%)** but over last year by **\$8.17M (15.4%)**. ICU, Cat Scan, ED, OP Infusion, and Orthopedic Physician all showed favorable actual vs. budget. The unfavorable variance (**\$1.07M**) was due to lower volumes and (**\$1.89M**) due to rate variance. The Gross Revenue budget for July was **\$10,530** per adjusted patient day and actual was **\$10,215**. Net Revenue for the month was below budget by **\$2.38M** but above last year by **\$1.98M** (actual of **\$20.0M** vs. budget of **\$22.4M** vs. last year of **\$18.0M**). As the first month of the year, Year to date (YTD) data is the same as the Month to date (MTD) above.

EXECUTIVE SESSION

The Board went into Executive Session as authorized by ORS 192.660(2) at 7:11 pm to:

- (c) consider matters pertaining to the function of the medical staff at a public hospital
- (f) consider information or records that are exempt by law from public inspection
- (h) consult with legal counsel concerning the legal rights and duties of the district with regard to current litigation or litigation likely to be filed

OPEN SESSION

Chairperson Cribbins reopened the meeting into public session at 8:03 pm.

APPROVAL OF ROBOTIC PRIVILEGES

Action taken by the Board:

Dr. Tom McAndrew moved to approve Robotic Privileges as discussed in the Executive Session Ms. Carma Erickson-Hurt and Ms. Patrice Parrott simultaneously seconded the motion. There was no additional discussion, and the motion carried on call for vote.

APPROVAL TO DELETE ACLS REQUIREMENT FROM WOUND CARE PHYSICIAN CREDENTIALING

Action taken by the Board:

Ms. Barbara Taylor moved to approve the deletion of the ACLS requirement from the credentialing of wound care physicians as discussed in the Executive Session. Ms. Carma Erickson-Hurt seconded the motion. Dr. McAndrew recused himself from the vote as he performs work in the Wound Care department. There was no additional discussion, and the motion carried on call for vote.

MEDICAL STAFF CREDENTIALS REPORT – Dr. Lee Saltzgaber

This report was reviewed in the Executive Session.

APPROVAL OF CREDENTIALING REPORT

Action taken by the Board: Ms. Patrice Parrott and Dr. Tom McAndrew simultaneously moved to approve the Credentialing Report as discussed in the Executive Session and presented in the packet. Ms. Carma Erickson-Hurt seconded the motion. There was no further discussion, and the motion carried on call for vote.

MEDICAL STAFF REPORT – Dr. Paavani Atluri

Dr. Atluri reported in executive session and had nothing additional to report to the board.

ADJOURNMENT

There being no further business, the District Board meeting was adjourned at 8:06 pm.


Troy Cribbins, Board Chairperson


Patrice Parrott, Secretary

Date: 10/18/24

Date: 10/08/2024