

King County Public Hospital District No. 2
d/b/a EvergreenHealth
Board of Commissioners Meeting
EvergreenHealth Medical Center, Kirkland, WA
September 1, 2023
Educational Session Minutes

Comms. Present: Comms. Cashman, Edwards, Hirt, McLaughlin, Pilcher, Snyder and Stewart

Medical Staff Leadership: Chad Bentsen, MD, Michael Mena, MD, M. Sean Kincaid, MD, Scott Burks, MD, Dave Likosky, MD, Jim O'Callaghan, MD

Others Present: Chris Bredeson, Purav Bhatt, Peggy Brown, Mark Freeborn, MD, Monique Gablehouse, Frank Hemeon, Lori Kloes, Lisa LaPlante, Richard Meeks, Ettore Palazzo, MD, Candace Scairpon, Jeff Tomlin, MD, Trisha West, Gregg Aoyama

Legal Counsel: Jenny Churas

Guests: See Exhibit A

**LEADERSHIP
EDUCATIONAL
SESSION**

Comm. Snyder called the September 1, 2023 Education Meeting of the Board of Commissioners of King County Public Hospital District No. 2 to order at 7:00 a.m. and welcomed those present.

PRESENTATIONS and DISCUSSION

**Strategic
Planning Mid-
Year Update**

Jeff Tomlin, MD, CEO, welcomed everyone to the meeting and reviewed the agenda, noting that we would be adding an update on the Regence Contract @ 8:00 a.m.

Trisha West, Director of Strategic Planning, provided an update on the strategic plan which included a review of the enterprise risk management plan as well as the current status of the strategic plan measures of success and tactics. Of the measures of success 35% are at or above target, 24% are below target or are trending that way, 24% have data that is not yet available, and 80% of the 44 tactics are either in progress or completed with 9 being deferred or no longer pursued. Trisha noted that we have opened a Behavioral Health clinic in Canyon Park and that the 2024 implementation plan will not have any major changes and she responded to questions from the Board throughout.

**EvergreenHealth
Medical Group
(EHMG) vs.
Medical Staff**

Jim O'Callaghan, MD, Past President of the Medical Staff, Mark Freeborn, MD, Chief Medical Officer of EvergreenHealth Medical Group (EHMG), and Purav Bhatt, COO, EHMG, provided an educational on the differences between the Medical Staff and

EHMG. He noted that the EHMG is a physician-led, physician-designed group of more than 350 EvergreenHealth primary care doctors and specialists who are employees of EvergreenHealth (get their paycheck from EvergreenHealth). The medical staff is comprised of all physicians and Advance Practice Providers who are credentialed and privileged to care for patients at EvergreenHealth and includes those who work for (receive their paycheck from) other organizations, including Mednax, Matrix Anesthesia, to name a few. In other words, all providers who provide care at EvergreenHealth (including EHMG) are part of the Medical Staff but not all Medical Staff are part of EHMG.

Because of this structure, patients may receive care at EvergreenHealth from providers from several different organizations (whoever the provider works for) and thus patients may receive bills from multiple organizations, not just EvergreenHealth.

Ultimately, both EHMG and the Medical Staff both report through the EvergreenHealth Board of Commissioners.

Purav and Dr. Freeborn presented information specific to EHMG, which included a review of its divisional structure, a summary of its services, surgical volumes, financial impact, and service level, etc., noting that EHMG is answering 88% of Primary Care calls in less than 60 seconds with less than 3% of calls abandoned. Additionally, they noted that EHMG moved up from a ranking of 29th in the state to the top 10 in the state in a year. Finally, they noted that they work to ensure their clinicians are educated on leadership to build a bench of strong leaders and reviewed how they support the Monroe teams.

The team responded to questions from the Board throughout.

**Regence
Contract Update**

Gregg Aoyama, Executive Director of Payer, Employer & D2B Initiatives, noted that late last night we were able to reach a fair contract and avoid a termination with Regence. Gregg gave a brief overview of the contract/negotiation timeline and acknowledged his team. The Board thanked Gregg and his team for bringing this major effort to a successful conclusion.

Additionally, Dr. Tomlin, Comm. McLaughlin, and Frank Hemeon, Interim CFO, noted that we are working on a bond refinancing resolution to be brought to the Board. Due to time constraints this will not be brought to the Audit, Finance and Compliance Committee, but will instead come straight to the Board. Frank reviewed the financial challenges facing the organization, noting that although we are not sure when cash from operations will turn positive, we still need to fund capital projects and need to

determine how to do that without operational funding. With this we are looking at bond proposal that should not exceed \$30-40M and will not affect the debt service, or the 70/30 levy/debt split – it's all about the maturity of the principal bond amounts. Frank responded to questions from the Board throughout.

Value Based Care Purav presented an educational on value-based care which included a review of current statistics regarding the aging population, cost of healthcare in the US, prevalence of chronic health conditions, and the toll the high demand on physicians is having on them, etc.

He reviewed what portion of total healthcare costs go to providers vs. insurance companies, the various payment models and care models, what value-driven providers are doing to take more ownership of patients, funds generated by a care team in a global capitated model, how Washington state and the health care authority are delivering on value-based payments, and Medicare Advantage enrollment across the country, etc.

Purav responded to questions from the Board throughout.

Dr. Tomlin thanked Purav for providing the Evolve training as well as for the Value Based Care Educational today.

Adjourn The September 1, 2023 Meeting of the Board of Commissioners for King County Public Hospital District No. 2 was adjourned at 10:05 a.m.

ATTEST:



Tim McLaughlin, Secretary/Commissioner
Sep 20, 2023 10:01 PM PDT

Exhibit A – Guests

Name

Amber Wise