

King County Public Hospital District No. 2
d/b/a EvergreenHealth
Board of Commissioners Meeting
EvergreenHealth Medical Center, Kirkland, WA
October 6, 2023
Educational Session Minutes

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

Medical Staff Leadership: Chad Bentsen, MD, M. Sean Kincaid, MD, Dave Likosky, MD

Others Present: Chris Bredeson, Peggy Brown, Jeff Friedman, Monique Gablehouse, Jessika Groce, Frank Hemeon, Lori Kloes, Lisa LaPlante, Richard Meeks, Ettore Palazzo, MD, Jack Peters, Candace Scairpon, Mary Shepler, Jeff Tomlin, MD, Khalid Ahmed, MD, Juan Aragon, MD, Eric Britt, Brianne Burnett, Jessica Granger, Daria Heimerman, Kai Neander, Kris Stone

Legal Counsel: Jenny Churas

Guests: See Exhibit A

LEADERSHIP EDUCATIONAL SESSION Comm. Snyder called the October 6, 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

2024 Budget Framework & Financial Recovery Frank Hemeon, Interim CFO, and Jessica Granger, Director of Financial Planning and Operations, presented the 2024 Budget Framework and Financial Recovery update noting that the finance team will make sure the budget is completely transparent. They noted that the goal is to increase our days cash on hand by increasing cash from net revenue and receivables through revenue cycle effectiveness, EPIC optimization, clinical documentation and coding, front-end denial avoidance, and avoidance of surgical cancellations, etc. Frank also reviewed a recent example of improvements made to the revenue cycle which involved collaboration between hospital teams to improve documentation for insurance purposes, which is helping to prevent surgeries from being canceled and claims from being denied.

They noted that there will be changes in cost structure including labor, supplies, professional fees and purchased services, and Dr. Tomlin emphasized that our focus is always on quality over cost.

They reviewed plans for supporting 2024 capital projects, key budget framework statistics for the hospital and Ambulatory/EHCS divisions, and the revenue and expense inflation assumptions.

Frank and Jessica then moved into reviewing financial recovery efforts, and as part of that review they shared the August 2023 income statement and noted that we have had an increase in cash due to the improvements in accounts receivable processes. They reviewed days cash and the four management workgroups which include management structure, clinical programs/practices, FTE opportunity compared to benchmark, and overhead/shared services. These groups have a combined goal of \$28M in labor reductions and are being very deliberate in their decisions and trying to be innovative and creative to solve these issues. Finally, they reviewed the timeline, various cost saving ideas submitted by staff and physicians and responded to questions from the Board throughout.

The Board thanked the leadership team for a great report.

At the conclusion of the presentation the Board took a 10-minute break.

Public Comment

Bob Yoder, District resident, would like to better understand the 70/30 levy split, the capital process, and the Canyon Park Behavioral Health services, and would like more information about the Foundation.

The Board thanked Mr. Yoder for his comments and asked him to submit his thoughts and questions to the Board Coordinator.

Behavioral Health Services Update

Monique Gablehouse, COO Post-Acute Care, Kris Stone, Director of Care Management and Clinical Behavioral Health, Khalid Ahmed, MD, Medical Director-Behavioral Health, and Eric Britt, Director-Recovery Center, presented the Behavioral Health Services Update which included a review of the services EvergreenHealth provides today, including in-patient hospital services, Home Care services, outpatient clinics and emergency departments, community outreach, and substance use disorders, and they noted that we have our first embedded behavioral health clinic and are hearing positive things so far.

Dr. Tomlin stepped out due to an update on EvergreenHealth Monroe to make sure we don't have an AGB quorum. It was noted that the AGB has discussed the 90/180-day Behavioral Health Unit, and at this point, they have voted to suspend moving forward at this time. Dr. Tomlin returned to the meeting at the conclusion of this update.

The team reviewed the Behavioral Health Continuum of care which includes preventative care, chemical dependency, crisis care, partial hospitalization, and inpatient care. Additionally, the team reviewed federal initiatives that have been rolled out over the last few years which include three “Horizons”: 1) someone to talk to, 2) someone to respond, 3) a safe place for help, and reviewed how the State of Washington, King County and local cities are supporting these initiatives.

Monique also gave an update on activities in 2023 including the launch of a five-city coalition called Regional Crisis Response (RCR) Agency which is designed to provide high acuity behavioral health crisis response to North King County residents. RCR also convened partners from across the behavioral health continuum of care to identify gaps and target approaches across sectors.

She reviewed the Connections Health Solutions program which is for immediate access to crisis care and will open in mid-2024. They will provide urgent care which will be walk in access to a psychiatric provider within 90 minutes, 23-hour observation which provides rapid assessment, treatment, stabilization and proactive discharge planning within 23 hours, 59 minutes via interdisciplinary engagement, crisis stabilization which provides continued stabilization beyond 23 hours 59 minutes for those requiring an extended stay (3-4 days), and transitions which provides ongoing follow-up post-crisis (<45 days) and warm hand-off to community care.

Finally, she reviewed the Crisis Care Centers Initiative which has the goal of creating five new regional crisis care centers, to preserve and restore the dramatic loss of residential treatment beds and grow the behavioral health workforce pipeline. As part of this review, she also covered the timeline and responded to questions from the Board throughout.

Action Item

Administrative and Clinical Efficiency Analysis

Comm. Pilcher made a motion to give authority to the CEO or his delegate to negotiate and finalize a contract with one of the consulting firms interviewed as instructed by EvergreenHealth’s interim general counsel in an amount not to exceed \$300,000.

Comm. Cashman seconded the motion.

The motion carried unanimously.

CEO Update

Dr. Tomlin noted the following:

- Fred Hutch had a meeting recently; they are coming together with their Eastside partners to promote cancer care on the Eastside. They reviewed the marketing campaign for this program which allows cancer patients to get their care closer to home on the Eastside.
- New Charity Care Update – There is no change in the law, but the Attorney General’s Office has changed their interpretation of the laws. Previously organizations could limit the geographic residency area of charity care recipients, i.e., residents of the State of Washington or King County, etc. The new guidance is that organizations cannot have any geographic residency restrictions, this change must be implemented by 1/1/2024. WSHA is currently advocating for hospitals about this update, so this could still change.
- Dr. Tomlin reiterated that our primary focus is providing excellent quality care for patients, regardless of what our finances look like.

The Board thanked Mr. Yoder for his comments today.

Adjourn

The October 6, 2023 Meeting of the Board of Commissioners for King County Public Hospital District No. 2 was adjourned at 10:13 a.m.

ATTEST:



Tim McLaughlin, Secretary/Commissioner
Oct 23, 2023 10:02 AM PDT

Exhibit A – Guests

Name

Bob Yoder

Amber Wise
