

King County Public Hospital District No. 2
d/b/a EvergreenHealth
Board of Commissioners Meeting
EvergreenHealth Medical Center, Kirkland, WA
April 7, 2023
Educational Session Minutes

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

Medical Staff Leadership: Michael Mena, MD, Dave Likosky, MD

Others Present: Chris Bredeson, Purav Bhatt, Peggy Brown, Jeff Friedman, Monique Gablehouse, Jessika Groce, Lisa LaPlante, Richard Meeks, Tina Mycroft, Ettore Palazzo, MD, Jack Peters, Candace Scairpon, Mary Shepler, Jeff Tomlin, MD, Jessica Granger, Ann Peterson, Trisha West

Legal Counsel: Jenny Churas

Guests: See Exhibit A

**LEADERSHIP
EDUCATIONAL
SESSION**

Comm. Snyder called the April 7, 2023 Education Meeting of the Board of Commissioners of King County Public Hospital District No. 2 to order at 7:01 a.m. and welcomed those present.

PRESENTATIONS and DISCUSSION

**UTGO/MFP
Preparation for
Board Retreat**

Peggy Brown, Chief Marketing and Communications Officer, led the Board in a discussion regarding preparations for a possible UTGO & the master facility plan. She reviewed the timeline for a possible UTGO with notable milestones including a go / no go decision on May 16 and, if approved, the election in November. She also reviewed a draft agenda for the May Board Retreat where the Board will be educated on and discuss the possible UTGO. Additionally, she announced that we will have a special Board meeting with our Community Advisors to engage in a rich dialogue with them regarding the bed capacity issues and reasons for a UTGO. The Board engaged in discussion throughout and shared thoughts on information needed to make an informed decision on a possible UTGO.

**Market Share
Update**

Trisha West, Director of Strategic Planning, gave the Board an update on EvergreenHealth's market share, including a review of the service area (district boundaries, primary service area and total service area) and 5-year population growth projections. She

reviewed inpatient volumes and market share, inpatient market share by service line, and system-wide inpatient market share by service area for the Kirkland primary service area, the Monroe service area, and the total service area. Additionally, she reviewed the inpatient growth by service line, actual performance vs. 5-year projections, outpatient payer mix, and inpatient service line data regarding diversity, etc. The Board engaged in discussion throughout.

Financial Recovery Plans

Tina Mycroft, CFO, and Jessica Granger, Director of Financial Planning and Operations, presented the financial recovery plans, which included a review of February YTD financial results and key drivers as well as a brief discussion regarding nursing staffing. They noted that things are slowly starting to improve – the nursing turnover rate is beginning to come down and our last new hire orientation had no new agency nurses. They reviewed the trended adjusted operating revenue and expense to budget and to prior year, days cash on hand, and days in Accounts Receivable.

Jessica reviewed the 2023 financial recovery plan and target of \$23.5M. She described how the team arrived at that target and noted that the Board will be kept apprised of any sensitive items, including those that require Board approval. She also discussed the numerous items in the 2023 recovery plan, including supplies, administrative expenses, travel and education, and revenue items. She noted that the finance team is also looking at further improvements for 2024 and has identified a variety of potential items to include in the 2024 plan that have been categorized into high, medium and low budget impact. She reviewed each of those items and noted that they are in the idea stage at this point and need more vetting before being confirmed. The Board engaged in discussion about each of these items.

At 10:08 a.m. the Board adjourned into executive session to discuss matters related to potential litigation as allowed under RCW 42.30.110(1)(i). The Executive Session commenced at 10:15 a.m. and concluded at 11:12 a.m.

Adjourn

The April 7, 2023 Meeting of the Board of Commissioners for King County Public Hospital District No. 2 was adjourned at 11:12 a.m.

ATTEST:

Tim McLaughlin, Secretary/Commissioner
Apr 20, 2023 11:17 AM PDT

Exhibit A – Guests

Name	Residence
None	