

BOARD MEETING MINUTES

Date: July 01, 2020

Time: 7:00 p.m.

Place: ZOOM Meeting, <https://zoom.us/j/375320938>

Present: Tom Langland, President
Don Wolczko, Secretary
Eric Pryne, Position 2
LeeAnn Brown, Position 3
Wendy Noble, Position 4
Eric Jensen, Superintendent
Jojo Weller, Administrative Director

1. Call to order at 7:00 p.m.
2. Approve/Amend July 01 Agenda

Secretary Wolczko motions to approve agenda and Commissioner Pryne seconds the motion:

“I move to approve the agenda as proposed.”

AGENDA APPROVED 5-0

3. Approve/Correct June 17 ZOOM Regular Meeting Minutes

President Langland motions to approve minutes and Secretary Wolczko seconds the motion:

“I move to accept as the minutes are written.”

MINUTES APPROVED 5-0

4. Superintendent Report
 - See Superintendent report attached
 - There's no clarification if the provider will stay until the new one is engaged.
 - The grant for the x-ray machine was given to Neighborcare.
 - Note the FQHC (Federally Qualified Health Centers) vs. RHC (Rural Health Clinic) are options if there are no responses to the RFP
 - Note in option 3, Provider-based RHC, the acronyms PPS and CAH stand for Prospective Payment System and Critical Access Hospital.
 - Another option is being part of another FQHC. Finding another system that has many clinics would be a quick conversion as little as 60 days. He is in conversation with one FQHC system and another with the Seattle Hospital system.
 - Note in Financial Proforma – Independent Clinic, CPT codes are how Neighborcare bills for different types of visits.

- Commissioner Pryne mentions that AWPHD Executive Director Matt Ellsworth said that there is a grant program that would reimburse membership cost back to the district. Eric J. will look into it.

Secretary Wolczko motions to join Association of Washington Public Hospital Districts and Commissioner Brown seconds the motion:

“I move to join Association of Washington Public Hospital Districts for \$1,000 a year.”

MOTION APPROVED 5-0

5. Old Business/Committee Reports

STAFF AND PROFESSIONAL SERVICES: None

TEHNOLOGY AND FACILITY: Office Space update- Per Commissioner Noble Vashon Presbyterian Church agreed to Eric J. using their library, at no cost, when he is on Vashon for meetings with the Board or the public. She suggests to write a thank you letter to them for their generous offer. President Langland mentions that Mr. Bangasser graciously offered the district to hold on to the office key through 2020 at no cost in case the district has a need for it later in the year.

FINANCE:

Banking /Expenditures: There are a couple of reimbursements that have not been processed as Secretary Wolczko is waiting for more payables to come in before submitting a voucher request to county. The district's budget is at -11,633.90.

Lake Kennedy McCulloch (LKM) accounting support- Commissioner Wolczko and Ms. Weller met via ZOOM with Barbara O'Block Huff from LKM to discuss setup items and bookkeeping and accounting support. Tomorrow will be payroll training to go through the whole payroll process to pay wages to Eric J. and Ms. Weller.

EXTERNAL RELATIONS:

Neighborcare Update- Commissioner Pryne has nothing to add to Eric J.'s report.

RFP Update- Commissioner Pryne reports on plan B options, see attached outline. Each commissioner took on a task or two from the alternatives list, with the exception of the mobile primary care clinic which will be on hold for now, and will have a follow up report at the next Regular meeting as well as sending an email update to Eric J.

Mr. Kunkel reminds the board that the committee is charged with going back to the providers that could not respond to the district's RFP due to COVID to have a conversation with them on circumstances that could work for the providers. He and Eric J. had a conversation with three executives from one of the providers and they have a follow up meeting on 15 July. The other provider they will meet with is one that the RFP was not originally sent to.

Commissioner Noble commends Mr. Kunkel and Eric J. for their work behind the scenes. The district is fortunate to have their talent, skills and experience.

6. Public Comments (15 minutes collectively)

Alan Aman- He likes where public comments have been moved to on the agenda. He praises the district for involving community members in the committee and subcommittee work. Since the large stake holder group is the community, he would like to see the district continue to engage the community especially in the earliest opportunities to examine complicated options for solving a really difficult problem. There is a lot of talent on the island and he advocates opening up the process.

Commissioner Wolczko asks his suggestion on how the district can specifically do that beyond the open public meeting forum. Alan suggests to get the word out about the public meeting process, open up the notices, get agenda and content for the meeting out in advance for people to consider and Eric J. can begin the process of tapping local groups to build the base of engagement. The district can also use the local newspaper platform to disseminate information.

Debby Jackson- She thanks the board for their incredible amount of work and creative options to look at. She agrees with Alan and adds that involvement is important. She mentions that WA state legislature has a universal health care work group that has been meeting. She attended one of their ZOOM meetings and the group is currently exploring various options to provide universal healthcare. One option would be no insurance companies if the state provides coverage and include federal programs. The second option is to have insurance companies act as administrators which would not be profit motivated. The third option is a fill in the gap where the non-insured would be covered. The group plans to have a report that reviews these costs by September or so. These might have an impact in the future.

President Langland would like for the commissioners to be thinking of ideas regarding how the district can encourage an enhanced townhall meeting for future meetings.

Paul (did not get last name) comments on how to incorporate community input. He suggests building it in on a systematic base. The board could form a community advisor group committee that could meet on a regular basis where community members can go to provide input.

7. New Business

None

COMMENTS:

Eric J. would like the board's permission to sign a disclosure agreement from one of the FQHC provider he is involved with. He will get legal guidance before signing. The board approves and agrees that the district's legal counsel should look it over.

President Langland thanks the public for joining the meeting tonight. Each commissioner should have a progress report at the next meeting on their assigned tasks. He would like the board to keep in mind the

essence of the public's input tonight and focus to come up with the best way to open up input to the larger community.

The next meeting is July 15. Commissioner Pryne mentions that the governor's proclamation expires tonight and he will keep an eye on this.

Commissioner Pryne motions adjournment and Secretary Wolczko seconds the motion:

"I move we adjourn."

ADJOURNMENT APPROVED 5-0

Adjourned at 20:52 p.m.

Board of Commissioner's Meeting

July 1, 2020

Superintendent's Report

Neighborcare Health Contract

Wendy, Eric P., Tim Johnson and I had a conference call with Michael Erickson and his staff June 25 to talk about the agreement. Neighborcare was good with the language as drafted but wanted to add language regarding joint commitments about public communications including a joint press release and talking points. We did not think that this needed to be in the agreement. Our attorney also doesn't think it should be in the agreement. Neighborcare did counter our proposal on the subsidy amount. We have not responded on this yet. I am awaiting a list of equipment that Neighborcare has purchased for the clinic so we can discuss what we would want and what they are willing to sell us. This may factor into our response. They did say that they did not have a need for the digital x-ray, but they needed to check on any conditions associated with the grant funding for it. They were open to a possible extension of the term if needed through Oct. 31. Since this would be by mutual agreement, it does not need to be in the contract.

FQHC vs. RHC Clinic Options

1. **Independent FQHC** - Medicaid will calculate a cost per encounter and inflate that by about 1.5 percent a year. The encounter rate could be well over \$200 which makes Medicaid the highest payer. Medicare will pay about \$155 an encounter interim rate until a cost report is done. Commercial rates tend to be low. Compliance requirements/costs are high and require overhead personnel. There is no way to transfer FQHC ownership. The district could pursue establishing a new FQHC as a co-applicant (public) model., however the complexity of starting from scratch and the timeline (a minimum of a year) would likely be prohibitive.
2. **Independent (Free-standing) RHC** – It would need to start out as non-RHC and go through the RHC survey and approval process. Medicare allowed is only about \$87 per encounter and the patient portion is 20% of that. Medicare fee schedule could be better without RHC status. Medicaid does pay based on cost but Medicaid is low on the island. Compliance requirements are far less than an FQHC.
3. **Provider-based RHC** – Generally requires small hospital ownership of the clinic allowing allocation of costs that drive up encounter rate for Medicare and Medicaid. Practically

speaking, it only makes sense for a small PPS hospital and not a critical access hospital. A CAH, would be required to allocate costs to the clinic, which would reduce their costs and reimbursement for inpatient services. The only small PPS hospitals in Western WA are in Anacortes, Arlington, Monroe and Aberdeen. Monroe is closest. A major barrier to any of these hospitals being interested is that hospital referrals from a Vashon clinic would likely be minimal. Facility modifications are usually needed to meet provider-based facility standards. Theoretically, a “provider” per Medicare could include a Medicare-certified Home Health agency or skilled nursing facility.

4. **Free-standing clinic part of a hospital system** – Depending on the system, the reimbursement from commercial payers would likely be much better. Could be an RHC but there would not likely be much financial benefit on the governmental side to warrant the regulatory requirements.

Financial Proforma – Independent Clinic

Given the short time horizon for finding a solution to Neighborcare’s planned departure from the island, we are running a parallel planning process to explore Plan B and C options for providing services to the community. Plan B options included some type of independent clinic operated by the District. In order to evaluate this option, we need to run a high-level financial analysis of our options for doing this. I have discussed this with two accounting firms with expertise in this area. I am awaiting a proposal from one of them that will likely be in the range of \$5000 to \$10,000. In support of this effort, Neighborcare has provided CPT codes for the 2019 services provided at the clinic.

AWPHD Membership

The annual membership dues for Vashon Health Care District would only be \$1000. I recommend that we go ahead and submit our application.

CLINIC SERVICES AGREEMENT

THIS CLINIC SERVICES AGREEMENT (“Agreement”) is made and entered into as of this ____ day of June, 2020, by and between KING COUNTY PUBLIC HOSPITAL DISTRICT, NO. 5, a Washington municipal corporation (“PHD”), and NEIGHBORCARE HEALTH, a Washington not-for-profit corporation (“NCH”).

RECITALS

A. PHD was created on or about November 26, 2019, as the result of a ballot measure authorized pursuant to Chapter 70.44 RCW;

B. PHD is organized as a municipal corporation under Chapter 70.44 RCW for the purpose of providing health care services to the residents of the public hospital district and other persons served by PHD;

C. NCH is organized as a nonprofit corporation for the charitable purpose of providing affordable, primary medical services for the residents of Vashon, Washington, and operates a federally qualified health center in Vashon (the “Clinic”);

D. PHD and NCH desire to promote access to high quality patient care within the boundaries of PHD;

E. In furtherance of the foregoing, PHD and NCH desires to formalize their agreement regarding reimbursement to NCH of its operational losses, and their agreement regarding NCH’s continued operation of the Clinic in Vashon, Washington, upon the terms and conditions and for the Term set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth in this Agreement, and other good and valuable consideration, the adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Relationship of Parties. It is mutually understood and agreed that PHD and NCH are at all times acting and performing as independent contractors. The parties acknowledge that neither is the employee of the other and that each is an independent contractor with respect to the other. Each party is solely responsible for and shall comply with all state and federal laws pertaining to employment taxes, income withholding, unemployment compensation contributions and other employment-related statutes applicable to that party. PHD shall neither have nor exercise any control over the professional medical judgment or methods used by NCH or its health care providers in the performance of services under this Agreement. However, NCH agrees that NCH and its health care providers shall at all times perform their duties and functions in strict conformance with currently approved practices in their field of medicine and in a competent and professional manner. Nothing in this Agreement shall be construed as creating or constituting a partnership between PHD and NCH.

2. Obligations of NCH.

Engagement to Operate a Clinic and Provide Primary Care Services.

During the term of this Agreement, and subject to the terms and conditions of this Agreement, PHD engages NCH to operate, and NCH agrees to operate, a federally qualified health center hereof (the "Clinic") and agrees to provide to the residents of PHD and other persons served by PHD primary care services.

Clinic. NCH shall operate and manage the Clinic at 10030 SW 210th Street, Vashon, Washington.

Clinic Operations. NCH will operate the Clinic in a manner consistent with its current practices. NCH will provide notice to PHD prior to implementing any material changes to Clinic operations.

Provision of Equipment and Supplies by NCH. NCH shall be responsible for the procurement, purchasing, maintenance and repair of all medical supplies, equipment, office supplies, clinical supplies as are reasonably necessary to provide the health care services and other services required by this Agreement.

Practice Management and Billing Services. NCH shall obtain and maintain all necessary licenses, provider numbers, certifications or other items necessary to bill for services provided at the Clinic in the name of, and on behalf of, NCH. NCH shall bill and collect all fees for professional services rendered at the Clinic by NCH and its employees and agents. The accounts receivable and fees collected for services provided by NCH under the terms of this Agreement shall be owned by NCH.

Qualifications of NCH and its Providers. Throughout the time period covered by this Agreement, NCH shall maintain in good standing, and shall ensure that each one of its employees and agents maintains in good standing, under applicable laws and regulations, all required licenses and registrations to perform NCH duties and obligations as required by this Agreement, including all eligibility requirements applicable to a federally qualified health center. NCH represents and warrants that neither it nor any of its employees, owners, shareholders, directors, officers, independent contractors or agents is or has ever been sanctioned, barred from participation in or excluded from any federal or state health care program, specifically including Medicare or Medicaid. NCH shall notify PHD in writing within seven (7) days if it or any of its employees, directors, officers, independent contractors or agents is sanctioned, barred from participation in or excluded from any such program. NCH also shall notify PHD in writing within seven (7) days whenever any of the following events occur: (a) any actual change, suspension, or revocation relating to any such license or registration described herein; (b) any type of disciplinary action is taken against any health care provider performing services at, or otherwise on behalf of, PHD; (c) any investigation is formally initiated or commenced against NCH by any organization including, but not limited to, an insurance company, or governmental agency or unit that if concluded adversely to NCH would result in any change, suspension or revocation relating to any license or registration required to be maintained by NCH under the terms of this Agreement; (d) any malpractice claim is asserted, filed, or decided against any health care provider performing services at, or otherwise on behalf of, PHD; and (e) any other

event that could materially affect NCH ability to fully perform according to the terms of this Agreement.

Compliance with the Law. NCH shall provide services to Clinic patients under the terms and conditions of this Agreement and in compliance with all applicable laws, and shall provide necessary written documentation of such services as required by state and federal regulations and applicable third party reimbursement sources. Without limiting the generality of the foregoing, NCH will further ensure that its practices and procedures are fully in compliance with all applicable regulations related to the Health Insurance Portability and Accountability Act, as amended from time to time.

Taxes. NCH is solely responsible for all business and occupation taxes, in connection with the operation of the Clinic.

Access to Books and Records. NCH shall prepare and maintain, on a timely basis, complete and accurate medical, financial, and other records, reports, claims and correspondence relating to the services and treatment rendered by NCH at the Clinic (collectively referred to as the “Records”). The Records shall remain the property of NCH and PHD shall have no ownership interest in the Records. NCH shall maintain and keep the Records confidential and shall comply with any and all legal requirements related to the confidentiality of the Records.

3. Obligations of PHD.

Compliance With Applicable Laws. PHD shall comply with all applicable federal, state and local laws, regulations and restrictions in the conduct of its obligations under this Agreement.

Interruption of Services. PHD shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption, or failure of such services due to any causes whatsoever.

Compensation during the Term. In return for the services provided during the Term (as defined below), PHD agrees to pay NCH an aggregate fee of Four Hundred Thousand dollars (\$400,000) in four monthly installments of One Hundred Thousand dollars (\$100,000) each, with the first payment due June 30, 2020, the second payment due July 31, 2020, the third payment due August 31, 2020, and the fourth and final payment due on the expiration of the Term on October 2, 2020. The monthly fee shall be paid by PHD following the receipt by PHD of a written invoice from NCH.

4. Term and Termination of Agreement.

Term. The term of this Agreement shall commence as of June 1, 2020, and shall expire on October 2, 2020 (the “Term”).

Termination Without Cause. This Agreement may be terminated before the expiration of the Term by either party, at its convenience, upon sixty (60) days written notice to the other party.

Termination With Cause. This Agreement may be terminated before the expiration of the Term under the following circumstances:

PHD's Substantial Non-Compliance. PHD fails substantially to perform any of the terms or conditions of this Agreement, if such failure continues for sixty (60) days after NCH has given PHD written notice of such failure; or

NCH's Substantial Non-Compliance. NCH fails substantially to perform any of the terms or conditions of this Agreement, if such failure continues for sixty (60) days after PHD has given NCH written notice of such failure.

Termination for Insolvency. Either party may terminate this Agreement upon ten (10) calendar days' prior written notice if: (i) either party shall apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets, file a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they become due; (ii) either party shall make a general assignment for the benefit of creditors; (iii) either party shall file a petition or an answer seeking reorganization or arrangement with creditors or take advantage of any insolvency law; or (iv) an order, judgment or decree shall be entered by a court of competent jurisdiction, on the application of a creditor, adjudicating such party as bankrupt or insolvent or approving a petition seeking reorganization or arrangement of such party or appointing a receiver, trustee or liquidator of such party or of all or a substantial part of its assets, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive calendar days.

Change in Laws or Regulations. The parties shall reasonably and in good faith amend this Agreement to comply with any legal order issued or proposed to be issued by a federal or state department, agency or commission, or with any provision of law that invalidates or that is inconsistent with the terms of this Agreement or that would likely cause one of the parties to be in violation of the law. If either party deems it necessary to amend this Agreement as provided in this section and the Amendment is unacceptable to the other party, that other party may choose to terminate this Agreement, without liability; provided, however, that all amounts outstanding pursuant to this Agreement become due and payable according to the Agreement to the extent allowed by law.

Continuing Obligations. Termination of this Agreement shall not release or discharge either party from any obligation, debt or liability which previously shall have accrued and remain to be performed upon the date of termination, including PHD's obligation to reimburse NCH for operational losses in accordance with Section 3.3 above and to pay any unpaid fees in accordance with Section 3.4 above.

Audit. At the end of the Term, PHD may request an audit of the relevant financial records of NCH solely for the purpose of confirming NCH's calculation of losses from operating activities under Section 3.3 above, and NCH will provide to PHD the records reasonably requested by PHD related to its audit. PHD's audit will be conducted during regular business hours, and PHD will provide NCH with ten (10) business days' prior written notice of such audit. PHD must request an audit under this Section 4.5 on or before December 31, 2020, after which time the audit right provided by this Section 4.5 shall expire.

5. Insurance and Indemnity.

Insurance. NCH shall maintain adequate levels of insurance to cover all aspects of the operation and management of the Clinic, including professional and general liability insurance, personal property insurance for NCH-owned property or equipment and workers compensation insurance. The Federally Supported Health Centers Assistance Act of 1992 and 1995, pursuant to 42 U.S.C. § 233(g)-(n), provides medical malpractice liability protection through the Federal Tort Claims Act (“FTCA”) to deemed health centers. Coverage through the FTCA shall be deemed to satisfy the professional liability coverage requirements for the purposes of this Agreement. Evidence of such coverage shall be provided to PHD by NCH upon request. NCH will notify PHD should its coverage be canceled or modified, or if per occurrence or aggregate limits are impaired by fifty percent (50%) or more.

Indemnity. To the extent allowed under applicable law, each Party to this Agreement (“Indemnifying Party”) agrees to indemnify and hold harmless the other party (“Indemnified Party”) from and against any and all claims, damages, losses, or costs (including reasonable attorney’s fees) incurred by the other, arising out of or in connection with any negligent act or omission by the Indemnifying Party, its employees, or agents, except to the extent caused by the negligence or intentional misconduct of the Indemnified Party. Notwithstanding the foregoing, NCH’s indemnification obligations pursuant to this Section 5.2 shall not apply to any claims, damages, losses, or (including, without limitation, reasonable attorneys’ fees) arising out of the negligence or willful misconduct of NCH hereunder that is both (1) covered by the Federal Tort Claims Act (FTCA) and (2) settled and/or resolved by the United States.

6. Miscellaneous.

Assignment. Except as otherwise stated herein or agreed in writing by the parties, neither PHD nor NCH may assign their respective rights or obligations hereunder without the advance written consent of the other party hereto.

No Breach. NCH assures PHD that by entering into this Agreement, NCH will not be in breach of any obligation to any third party.

Governing Law/Venue/Jurisdiction. This Agreement is governed by and shall be construed in accordance with the laws of the State of Washington. Jurisdiction and venue of any dispute arising from this Agreement shall be in the King County Superior Court.

Dispute Resolution. In the event of a dispute or disagreement between the parties with respect to this Agreement or any aspect of NCH’s management or operation of the Clinic, the parties shall meet and confer in good faith to resolve the dispute informally. If a dispute with respect to this Agreement cannot be resolved through informal meetings between the leadership of each party, the parties agree that, upon written demand by either party, any and all unresolved disputes shall be referred to binding arbitration conducted by an impartial arbitrator. The parties will initially share equally in the fees and costs of arbitration, but the prevailing party, as specified in the arbitrator’s award, shall be entitled to an award of all fees incurred in connection with the arbitration process, including reasonable attorney’s fees, from the

non-prevailing party. If the parties cannot agree, within fourteen (14) days following demand for arbitration by either party on the identity of the arbitrator, the then Presiding Judge of the Washington State Superior Court for King County, upon an appropriate request which either party may make, shall appoint the arbitrator.

Notices. Any notices or other communications required or contemplated under the provisions of this Agreement shall be in writing and delivered, in person, evidenced by a signed receipt or mailed by certified mail, return receipt requested, postage prepaid, to the addresses indicated below, or to such other persons or addresses as PHD or NCH may provide by notice to the other. The date of notice shall be date of delivery if the notice is personally delivered, or three (3) days following the date of mailing if the notice is mailed by certified mail:

If to NCH: **1200 12th Avenue South, Suite 901**
Seattle, WA 98144
Attention: Chief Development Officer

If to PHD: _____
Vashon, WA 98____
Attention: Superintendent

Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior proposals, negotiations, representations, communications, writing, and agreements between PHD and NCH with respect to the subject matter hereof, whether oral or written. This Agreement has not been executed in reliance upon any representation or promise except those contained herein. The parties acknowledge that each has had the opportunity to contribute to the formation of this Agreement with respect to interpreting any ambiguity which may arise hereafter with respect to interpreting any provision hereof.

Time is of the Essence. Time is of the essence with respect to this Agreement.

Amendments. This Agreement shall not be amended or modified except by a subsequent written agreement between duly authorized representatives of PHD and NCH.

Headings and Terminology. The descriptive headings in this Agreement are for reference only and shall not qualify or affect the meaning of the terms and conditions of this Agreement. All pronouns used in this Agreement, whether used in the masculine, feminine or neuter gender, shall include all other genders, the singular shall include the plural and vice versa, as the context may require.

Waiver. The failure of PHD or NCH to object to or to take affirmative action with respect to any conduct of the other which is in violation of the provisions of this Agreement shall not be construed as a waiver of that violation or of any future violations of the provisions of this Agreement. No waiver of any right of any party hereto shall be effective unless set out in a writing signed by each party hereto.

Severability. In the event that any sections, paragraphs, sentences, clauses, or phrases of this Agreement shall be found invalid, void and/or unenforceable for any reason, neither this Agreement generally nor the remainder of this Agreement shall be rendered invalid, void and/or unenforceable, but instead each such provision and (if necessary) other provisions hereof, shall be reformed by a court of competent jurisdiction so as to effect, insofar as is practicable, the intention of the parties as set forth in this Agreement. Notwithstanding the preceding sentence, if such court is unable or unwilling to effect such reformation, the remainder of this Agreement shall be construed and given full force and effect as if such invalid, void and/or unenforceable provisions had not been a part hereof.

Attorneys' Fees. In the event any party hereto employs any attorney to enforce or defend any claim arising out of this Agreement, the prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees and costs incurred by the prevailing party.

Recitals. The terms, provisions and factual statements set forth in the Recitals are incorporated into this Agreement by this reference.

Facsimile Signatures. Each of the parties hereto (a) have agreed to permit the use of telecopied signatures in order to expedite the execution of this Agreement, (b) intend to be bound by their respective telecopied signatures, (c) are aware that the other will rely upon the telecopied signature, and (d) acknowledge such reliance and waive any defense to the enforcement of the documents affecting this transaction based on the fact that a signature was sent by telecopy only.

Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All such counterparts together shall constitute one and the same document. The signature pages from such counterparts may be assembled together to form a single instrument comprised of all pages of this Agreement and a complete set of all signature pages.

Confidentiality. Each party acknowledges that the confidential information of the other party is the valuable property of the party disclosing such information (the "Disclosing Party"). Each party receiving such information (the "Receiving Party") shall take all such reasonably necessary precautions to maintain the Confidential Information provided by the Disclosing Party in confidence as the Receiving Party takes with its own Proprietary Information and, except as authorized in writing by the Disclosing Party or as required by law, shall not disclose the Confidential Information of the Disclosing Party to any third party or use the Confidential Information in any manner except as authorized by this Agreement. "Confidential Information" means all information of either party that is not generally known to the public, whether of a technical, business or other nature, including, without limitation, trade secrets, know-how, procedures, processes, and information relating to the technology, business plans, pricing, customers, clients, finances and other business affairs of such party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and date first above written.

NEIGHBORCARE HEALTH:

**KING COUNTY PUBLIC HOSPITAL
DISTRICT NO. 5:**

By _____

By _____

Title _____

Title _____

Date _____

Date _____

DRAFT STRATEGY FOR EXPLORING HEALTH CARE ALTERNATIVES POST-RFP

7/1/20

Submitted by External Relations Committee

GUIDING PRINCIPLES

- Alternatives should achieve, to the greatest extent possible, core components of the District's mission, including (a) providing/supporting accessible primary care for all island residents, especially those for whom leaving the island for care is a hardship; and (b) providing walk-in or same-day, on-island care for acute injuries and illnesses.
- Some options probably are preferable to others. But, because time is short, and because we don't know which alternatives will pan out, all alternatives should be explored concurrently.

FRAMEWORK FOR CONSIDERING ALTERNATIVES

Alternatives fall into three categories:

- OPTION 1: Contract with regional health care system to operate island primary care clinic, including either a hospital system or FQHC organization with many clinic locations.
- OPTION 2: Independent clinic, operated or supported financially by District, and any other options for operation of clinic that do not involve regional health care system.
- OPTION 3: All alternatives that do NOT include a traditional on-island primary-care clinic.

PROPOSED STRATEGIES FOR EXPLORING EACH OPTION

- Option 1: Eric J and Joe continue to talk with at least two regional health care systems. If those talks are fruitful, structure already in place – RFP Provider Selection Committee (2 commissioners, 5 community members) to work with Joe and Eric J to provide input into proposals offered. Negotiation of contract by Eric J. and Joe K. with commissioner involvement. No need for new process or structure.
- Option 2: Eric J already has done some research on this. Propose he continue, involving Joe and members of External Relations Committee, and knowledgeable community members of his choice as deemed necessary. First step in consideration of independent clinic should be assessment of financial feasibility.
- Option 3: A number of alternatives already have been suggested; there may be others. Propose work groups of 1-2 commissioners, supplemented by knowledgeable community members and with support from Eric J, be assigned to explore each alternative and report back to full board. None of the alternatives listed below has been “vetted.” Research may quickly show some alternatives are not feasible.

Possible Option 3 alternatives include:

- Urgent care clinic – independent, or part of larger health-care system or for-profit urgent care company.
- “Mini-clinic” – providing walk-in care for a limited number of acute conditions. Bare-bones. Perhaps similar to Kaiser “Care Clinics” at Bartells, or Swedish “Express Care” clinics at some Walgreens.
- “Community Paramedicine” – specially-trained paramedics and/or EMTs provide some primary care services.
- Contract with a system for a mobile primary care clinic that could be deployed a number of days per week as an interim solution while planning for a permanent clinic
- Promote/support/subsidize telemedicine, especially for island residents who lack needed technology or are uncomfortable and/or unfamiliar with such technology. Could perhaps include a telemedicine center where patients are scheduled to see providers at a centralized location
- District employs some of the current providers and places them in an existing practice location to maintain access for their patients
- Subsidize/organize transportation to off-island primary care providers for low-income islanders.