

BOARD MEETING MINUTES

Date: September 02, 2020

Time: 7:00 p.m.

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

Present: Tom Langland, President
Don Wolczko, Secretary (arrived 19:01)
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 September 02 Agenda

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

“I move to approve the agenda.”

AGENDA APPROVED 5-0

3. Approve/Correct August 19 ZOOM Regular Meeting Minutes

Commissioner Noble motions to approve minutes and Commissioner Brown seconds the motion:

“I move to accept the minutes.”

MINUTES APPROVED 5-0

4. Superintendent Report

- See Superintendent report attached
- Sunrise Ridge Lease
 - Commissioner Pryne asks why Sunrise Ridge preferred to lease the building to the district rather than to the provider. Superintendent Jensen suggests that the district would be a more reasonable tenant to work with depending on how much of the building maintenance would be the tenant’s responsibility. Commissioner Pryne asks if \$18/sq. is reasonable. President Langland says that it may be reasonable considering the condition of the building and responsibility for major maintenance that may be required.
- Board Education
 - Commissioner Wolczko would like not to use the chat feature as it would be disruptive, semiprivate and detract from the meeting.
 - Commissioner Brown mentions that she had the feature turned off until a month or two ago and it was not used.

- Commissioner Pryne noticed at the last meeting that there were chats posted. Based on the MRSC guidance he thinks the chat should be disabled as it seems like there is another conversation going on while the official conversation is happening.
- Ms. Weller will cease to include guest attendance on the minutes.

5. Old Business/Committee Reports

STAFF AND PROFESSIONAL SERVICES: none

TEHNOLOGY AND FACILITY:

Website- Commissioner Brown is refreshing the website to be more user friendly. On the Home page there is a subscribe button. She encourages the public to subscribe to receive news posts as they are posted. For example, the subscriber would have received the agenda and memo that were posted for tonight's meeting. There is a bit more tweaking to do and more to come. President Langland thanks her for her energy towards this development.

FINANCE:

Banking /Expenditures: Commissioner Wolczko reports that as of 01 September, the district's balance is at -\$152,025.55. The budgeted amount for the end of August is -\$286,729.23 which is about \$134,000 less than predicted. He received the second support invoice from Neighborcare. Voucher approval was sent on Monday.

Commissioner Pryne motions to approve voucher for \$110,000 for Neighborcare and President Langland seconds the motion:

"I move to approve the subsidy payment for \$110,000 for Neighborcare."

VOUCHER APPROVED 5-0

Superintendent Jensen has started working on the 2021 budget. He anticipates the district's needs through April to be at \$1,040,000.00.

Commissioner Wolczko has applied for the district's credit card through US Bank and started the process for it.

EXTERNAL RELATIONS:

Commissioner Pryne mentions the committee put together a statement in regards to entering into a contract to start negotiations with Sea Mar. It was on the front page of the Beachcomber last week and it is also posted on the district's website, www.vashonhealthcare.org.

Update on Provider Discussions

- See Superintendent report attached
- MOU- memorandum of understanding, lays out basic expectations and provisions of what the contract is going to cover
- Superintendent Jensen requested an up to date financial report, by month, of operations from Neighborcare as well as the actual salary rates for their employees. He was able to download

the 1199SEIU union contract, Neighborcare's local union, from their website and forwarded to Sea Mar. He doesn't know if Sea Mar is union or not.

- Sea Mar has already applied for modification to their certification to add the location on Vashon Island. However, this doesn't mean anything until the district gets a signed contract.
- Sea Mar would like to know the district's ability to finance a new clinic. Superintendent Jensen sent them a draft copy of the district's legislative letter, see attached letter. As an example, a 10,000 square foot building assuming a ballpark cost estimate of \$400/sq. ft. including design work and permitting would cost an estimated \$4 Million.
- Commissioner Pryne would like Sea Mar to consider the district's uneven cash flow of tax revenue. Spikes are expected around 01 May and 01 November when property tax are disbursed. It might be worth considering a semi-annual subsidy.
- Sea Mar's intent is to make no changes in the staffing. They would like to know the staff's actual salary rates to compare to their own salary scale.

6. Public Comments (15 minutes collectively)

Remony Henry is very excited to hear what's being shared tonight and knowing there are concrete steps being taken. She would like to know about timeframe specifically as the staff received notice of their last day of work and when benefits are going to be cutoff. She mentions that most on staff are concerned particularly with insurance coverage. Is there any way for the district to reimburse Neighborcare to keep the staff on the health plan for another month or during the transition time?

Superintendent Jensen answers that assuming a contract comes together, Sea Mar has indicated that the target start date is still 01 November. He doesn't know what kind of insurance plan they have for their employees. He is unsure if it would be legal for the district to compensate Neighborcare to help with health insurance coverage for their employees. Commissioner Wolczko asks if the union has involvement or a safety net for their members. Superintendent Jensen does not know what is in their contract. Ms. Henry mentions that the union is new to Neighborcare and there is no severance package for insurance coverage. Commissioner Brown mentions that if Sea Mar were to take over it would be an open enrollment period for their new employees, which will allow insurance coverage to start right away. President Langland adds that he received a letter at noon today from a senior employee at the clinic on this subject. It will be high on the district's priority to help retain the staff at the clinic.

Kerry Barnes, clinic interim administrator, thanks the board for information. She mentions that Sea Mar has a different union (OPEIU Local 8) and different wage scale which is lower than what Neighborcare staff makes. She would like Sea Mar to consider covering ferry costs for employees coming from the mainland. It is hard to hire given that ferry cost is a concern to prospective employees. The MAs that come from off island have their ferry passes paid for by Neighborcare. Commissioner Pryne and Secretary Wolczko also agree that this should be considered with Sea Mar as it's not uncommon for employers to pay for the ferry cost onto the island.

Jane Neubauer, healthcare administrator (not at Neighborcare), would like to reinforce the district do everything they can to support retention at the clinic.

Paul Tegenfeldt asks how it is that the district is considering Sea Mar who is an FQHC when Neighborcare is leaving for reasons related to their FQHC status and related to that question, the reputation Sea Mar had was one of building a large footprint so they could be all over the place and were not known necessarily for their quality of care provided. He mentions that this situation was a long time ago and might not be a fair statement.

Superintendent Jensen can't speak on item #2 but he can respond to his question. Neighborcare has been on Vashon for four years with no subsidy and losing money. The FQHC model isn't a great fit for the island in the sense that there are fewer Medicaid patients. This is opposite of what most clinics look for. That is why a subsidy is required, since FQHCs typically get less from commercial payors. His opinion, based on the financials he has seen, is that Neighborcare would have been financially in the black with a district subsidy. However, Neighborcare decided they didn't want to stay on the island regardless. There are differences in FQHCs. Neighborcare is pretty urban focused and not used to serving rural areas. Their model is also more centralized, for example in their scheduling. Sea Mar's model is more delegated in terms of responsibilities. Each clinic operates more independently, which is a better fit in order to respond to the unique characteristic of a local community. Sea Mar is also a much larger organization.

Commissioner Wolczko adds that the quality of care is up to the providers and having an organization that is more responsive with providing a clinic without the attitude of making it operate like the other clinics that they've got is a big plus. Commissioner Noble adds that she assumes in the contract developed with Sea Mar one of the criteria would be that they would maintain standards of care that are consistent with standard quality indicators and measures. She would expect that the Superintendent would meet with their staff and review quality of care outcomes as they compare to the standards. Commissioner Pryne mentions that other public hospital districts who contract with outside providers to operate clinics have provisions in their contracts that call for leadership of the provider organization to come to Board meetings once every quarter to provide status reports and answer questions that the Board might have. He hopes to have something similar in the contract with Sea Mar that will be developed. President Langland remarks that he had the same reservations until he started looking into Sea Mar in depth and read some local practitioners' letters to the board promoting the positive experience, they have had working with Sea Mar. With his research he realized that all FQHCs are not created equal. Sea Mar has shown willingness to do things differently and they are openminded.

Mr. Tegenfeldt would also like to know why the district is interested in Sea Mar and why Sea Mar is interested in Vashon. Superintendent Jensen replies that Sea Mar's interest in Vashon is due to our community's risk of losing our primary care clinic. Part of their mission is to provide primary care in underserved areas. They are developing clinics periodically in new locations where there is a need. He adds that the District's options were limited. Initially there were no responses to the RFP due to COVID so we had to reach out to organizations to engage them in conversation. Commissioner Noble adds that Sea Mar is actively pursuing collaborative relationships with hospital-based systems, which presents other possibilities. Superintendent Jensen mentions that Sea Mar has a partnership with MultiCare and is able to refer people to MultiCare specialists, which would be a benefit to people on the island down the road.

President Langland reminds the public that further questions can be submitted through the district's website at www.vashonhealthcare.org.

7. New Business

- Draft letter to 34th District legislators to re-appropriate the \$3 million in the state capital budget for a new clinic, see draft letter attached which is also posted on the website.

Commissioner Pryne motions to approve legislator letter President Langland seconds the motion:

“I move to approve this letter and send it to our legislators.”

LETTER APPROVED 5-0

- Community Engagement
 - Marcy Rubardt and the committee proposes to aim for a community ZOOM meeting on Wednesday 30 September, termed Progress Report. A rough draft agenda could consist of a presentation of background data and information, the progress to date in setting up the health district, the financial status of the District, and sharing of the mission statement. The agenda could be taken as far as the district is able in terms of Neighborcare’s departure, the RFP process and what is being negotiated. If there is news from Sea Mar the agenda could be adjusted for it. They will make an effort to get questions ahead of time and run them through the Superintendent and take questions through the chat if there’s time. The committee is making an effort to be open and transparent and to avoid spending a lot of time in discussion. They are looking for participants to sign up through the district’s website for updates and to begin working on developing word of mouth networks. There was a significant email list related to the campaign which the committee hopes to be able to use to send out emails to encourage people to attend and to talk to their friends to encourage them to sign up, become involved and come to the meetings. They have a communication plan that includes the Beachcomber, Voice of Vashon, district’s website and social media. The committee also recognizes that there could be a welcome meeting for Sea Mar as well.
 - Commissioner Pryne reminds the committee that this would be advertised as a special meeting of the board.

COMMENTS:

President Langland thanks everyone for attending tonight’s meeting. The next regular meeting is 16 September at 19:00.

Secretary Wolczko motions adjournment and Commissioner Pryne seconds the motion:

“I move we adjourn.”

ADJOURNMENT APPROVED 5-0

Adjourned at 20:24