

“Caring for Our Community Like Family”



Valley Board of Trustees
MINUTES
January 19, 2021

Board Members Present

REMOTE: Erin Aboudara, Carol Barber, Lisa Brandenburg, Bernie Dochnahl, Janet Evans, Jim Griggs, Gary Kohlwes, Lawton Montgomery, Vicki Orrico (Chair), Julia Patterson, Donna Russell, Todd Starkey

Board Members Absent

Shamso Issak

Others Present

IN PERSON: Jeannine Grinnell

REMOTE: Theresa Braungardt, Wayne Manuel, Matt Mulder, MD, Liz Nolan, Julie Osgood, James Park, MD, Kalen Privatsky, David Smith

Remote Guests (members of the public): Ellen Gengler, Martha Pruett

Recorder

Erica Duston

1. CALL TO ORDER

Board Chair, Vicki Orrico, called the meeting to order at 1:33 p.m.

2. EXECUTIVE SESSION

At 11:34 a.m., Vicki Orrico stated, “The Board will recess into Executive Session for approximately 15 minutes to discuss specific matters that are exempt from the Open Public Meetings Act relating to Litigation Issues in accordance with RCW.42.30.110(i) and Quality Initiative issues in accordance with RCW 70.41.200. There will be no Board action following the Executive Session. Erica Duston, and remote guests/public, were excused from the meeting.

Following the Executive Session, the public meeting reconvened and there was no action taken on the matters discussed during the Executive Session. Ms. Duston and the public rejoined the meeting.

3. VOICE OF THE PATIENT/EMPLOYEE

Wayne Manuel shared the story of Valley inpatient who married his finance within the hospital. Valley caregivers went above and beyond in making the wedding special with donations including a tiara, flowers, cake, a staff soloist, and notary services.

4. CONSENT AGENDA AND ACTION ITEMS

MOTION: Bernie Dochnahl moved to approve the consent agenda and Jim Griggs seconded the motion. The items moved for adoption were:

- Minutes of November 16, 2020

- Financial Bills/Warrants/Vouchers
- Surplus Property Resolution No. 0108

The motion carried, 12-0.

5. COVID-19 UPDATE & VACCINES

Dr. Jamie Park presented COVID-19 data from January 17 that reflected a 14-day positive test rate of 14.9% in South King County. Percentages varied greatly across cities within the county. IHME projections show a peak in COVID-19 cases in our region toward the end of February. Valley now has a rapid point-of-care testing in the nursing department.

Dr. Matt Mulder stated that Valley distributed 4,500 doses of the vaccine's first dose with roughly half going to our employees and half to our community. Valley is adhering to Washington's state mandate of vaccinating frontline healthcare workers, first responders, all people 65 years and older, and people 50 years and older living in multigenerational households.

Board member Todd Starkey left the meeting at 2:30 p.m.

6. BOARD EDUCATION

Guiding Principles

Vicki Orrico stated that a short survey will be sent to each Board member asking if there are recommended changes to the Guiding Principles, and for each member to reconfirm their commitment to the Guiding Principles. Board feedback will be reviewed at an upcoming board meeting as well as at the annual retreat.

30-Day Reserve for Critical Inventory

Jeannine Grinnell presented the board-defined FY21 goal of designing a plan to implement a 30+ day reserve of critical supplies to mitigate global supply chain risks associated with the COVID-19 pandemic. Ms. Grinnell described the 4-phased approach utilized to ensure we have the space to hold critical supplies, the contracts to obtain supplies, the near real-time tracking of supplies, and the conservation and transparency of supply utilization. Ms. Grinnell shared photos of inventory stored at Valley's Lind warehouse and at our distributor's site. Additional supply storage will be utilized at the BHS building located one block from the main campus that can hold up to 400 pallets, as well as at the Covington Campus and in secured semi-trailers. The 3PL program allows us to better utilize all our warehouse spaces to provide capacity, accuracy, and throughput. (Reference the full presentation in Boardvantage.)

60 Minutes Debrief

Jeannine Grinnell spoke about a recent episode of 60 Minutes related to provider Sutter Health which became a monopolistic power in Northern California. As a health plan and as a provider, Sutter Health is vertically integrated in the payer and buyer space. House Bill 1160, currently in the Washington state legislature, addresses components of, and alleviates the potential for, a similar monopoly to exist in our region.

Board member Gary Kohlwes left the meeting at 3:00 p.m.

7. COMMITTEE REPORTS

Compensation Committee

Vicki Orrico stated that the Compensation Committee met with Administration on December 8, 2020 to:

- A. Review FY2021 Board Goal Performance Year to Date
 - o Stated the Board of Trustees approved PARTIAL Year Board Goals in August 2020 due to the uncertainty related to COVID-19 fall/winter surge projections
 - o Further, she reminded the Board that the Compensation Committee would meet with Administration in December to establish FULL year goals depending upon COVID-19 surge status, which we are still currently experiencing
- B. Review recommendations for remainder of the year board goals
 - o Based on surge numbers and projections, the Compensation Committee evaluated several alternatives and voted unanimously on the proposal as a ‘Recommendation to the Full Board of Trustees January 19, 2021’
 - o Wayne Manuel provided a recap of the first six months goal performance and second six months proposal of goals.
 - o The proposal, due to the recent COVID-19 Surge, is to activate the already approved “External Extenuating Circumstances Placeholder Pillar” and develop forward looking goals related to COVID-19 shifting 50% of the other pillar weights to this pillar, balancing the weights from Partial to Full Year.
 - o He summarized by stating these essentially are second half goals reflecting the priority of the entire organization as measured by the ongoing and significant COVID-19 Incident Command Activities.

MOTION: Bernie Dochnahl moved to approve the Full Year FY21 VMC Board Objectives & Goals. Donna Russell seconded. Motion carried, 12-0.

Executive Committee

Vicki Orrico reported that the 2021 Education calendar has been updated for the year. The committee is in the process of reviewing the board’s guiding principles. The CEO search consultant has completed interviews with approximately fifty people to gather information on what we are looking for in a future CEO, and a CEO profile has been created to advertise for the position. The CEO job description is still being drafted. Lisa Brandenburg added that we are aiming to finalize candidates in March.

Finance, Facilities & Audit Committee

Jim Griggs reported that we lost \$5.4M in December but YTD is positive. The primary driver of December’s outcome was due to low volumes relating to the pause of inpatient elective surgeries and the nearly complete shutdown of our endoscopy center, which have impacted our bottom line. Payer mix shows Medicare at 40%, Commercial at 36%, and Medicaid at 20%. Cash on hand dropped to 87 days without stimulus funding.

Joint Conference Committee

Bernie Dochnahl reported that the credentials were approved without incident, the Quality Improvement dashboard was presented without significant change, and a presentation on C. diff is scheduled for February. Dr. Bob Molina gave a thorough presentation on Informatics. The Root Cause Analysis (RCA) quarterly review primarily focused on pressure injuries.

8. INFORMATION REPORTS

UW Medicine Update

Lisa Brandenburg reported that COVID-19 numbers have flattened across the system. Our vaccine clinics have administered 30,000 doses across the UW Medicine system. Complicated logistics surround vaccine distribution as the state does not indicate how much vaccine will be received each week. We are actively working to get more vaccine in arms.

UWM's Network Planning Group is meeting now on the Strategic Refresh with a goal to increase the number of patients receiving care across the system from 500,000 to 700,000 lives. The Surgical Recovery and Reinvention Group graph showed a downward trend in December which had a negative financial impact, but not as serious as last April. Our telemedicine volumes rose rapidly to 30,000 calls a month. The D1 go-live date was moved from January 31 to March 27 and work is progressing. Airlift Northwest helicopters were painted purple.

Board of Commissioners Update

Jim Griggs stated that the existing BOC officers were reelected at the January 4th meeting into the same officer positions for calendar 2021. He reported that Premier Healthcare Solutions was chosen to conduct the SAA review which will take place over the next four months. Mr. Griggs summarized the scope of work related to the SAA review, and Jeannine Grinnell added that approximately 35-50 people will be interviewed by Premier in February. All Board of Trustees will be interviewed, and all 50+ individuals to be interviewed will receive communication (email) on the engagement and timing.

Administrative Update

Jeannine Grinnell shared highlights from the Operations update including a new request for Valley to participate in a research project with UWMC regarding COVID-19 seroprevalence in pregnancy. She shared that the Weight Loss Surgery Clinic is scheduled to close in April due to low volumes and significant operational impacts this past year related to COVID-19. Valley will assist current patients with transition of care to other local bariatric programs. Ms. Grinnell also stated that the Inpatient pharmacy remodel is complete after many months of planning, design and construction, and the new pharmacy inventory management system has resulted in increased operational efficiencies, safety in medication dispensing, and overall alignment of workflow. She stated that implementation of the *Infor* financial and supply chain ERP (branded "Compass") continues with a revised go-live date currently set for April 1, 2021. Significant, extensive organizational change management is underway to support the ERP conversion, which is the largest finance/supply chain conversion in over two decades.

Chair of the Board

Vicki Orrico said the CEO profile will be sent to the board once its completed. Finances 101 was added to the Board Education calendar. Bernie Dochnahl requested an update on respirator clinics to be addressed at a future JCC meeting.

9. OLD/NEW BUSINESS

None.

10. ADJOURNMENT

The meeting adjourned at 3:57 p.m.

Respectfully submitted,

Erica Duston
Assistant to the Valley Board
Valley Medical Center

All reports and presentations reviewed by this committee were in draft format, unless otherwise noted in these minutes.