Redefining the H
Beyond the walls and into the community

The 42nd Annual Rural Hospital Leadership Conference

Washington State Hospital Association  Association of Washington Public Hospital Districts
AWPHD MID-YEAR MEMBERSHIP MEETING

Wednesday, June 27, 2018
Business Meeting
October 12, 2017
Annual Membership Minutes
Board of Directors
Officers

• President
  Eric Lewis, CEO, Olympic Medical Center, Port Angeles

• Vice President
  Diane Blake, CEO, Cascade Medical Center, Leavenworth

• Treasurer
  Tom Jensen, CEO, Grays Harbor Community Hospital, Aberdeen
At-Large

- Renée Jensen, Sr. VP and Chief Administrative Officer, EvergreenHealth Monroe, Monroe
- Rosalinda Kibby, Administrator, Columbia Basin Hospital, Ephrata
- Tyson Lacy, CEO, Lincoln Hospital, Davenport
- Julie Petersen, CEO, Kittitas Valley Health, Ellensburg
- David Smith, General Counsel, Valley Medical Center, Renton
- Theresa Sullivan, President and CEO, Samaritan Healthcare, Moses Lake
Financial Report
Nominating Committee
AWPHD Update

Leading the Way to Healthy Communities
2018 Legislative Session

• **Update PHD Statute (RCW 70.44)**

• Clarify that PHDs may provide wellness and injury prevention services

• Eliminate “2-bounce” requirement for hiring and terminating superintendents
2018 Legislative Session

• **Budget**

• CPE-DSH Dollars Protected

• Proviso: Joint Select Committee
  - “…restructure and strengthen rural health care system.”

• B&O Exemption for ACH’s and PHDs
• Thwarted some Bad Ideas…
  • Collaborate with WSHA to oppose HB 1811:
    • Reporting “material change” in operations or governance
## Commissioner Pay Raise!

<table>
<thead>
<tr>
<th></th>
<th>Before July 1, 2018</th>
<th>Starting July 1, 2018</th>
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<tbody>
<tr>
<td><strong>Per Diem</strong></td>
<td>$114</td>
<td>$128</td>
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<tr>
<td><strong>Annual Maximum</strong></td>
<td>$10,944</td>
<td>$12,288</td>
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Intergovernmental Transfers

- Funding ACHs
- PHDs Working as a Team
- Supporting Rural PHDs During Transition to VBP

- $1 million for Rural Health
- $683K Direct to AWPHD Rural Members
- Five-Year Program
Governance Education: Preparing for Liftoff

Nancy Gorshe, Chair
Ocean Beach Hospital and Chair
WSHA Governing Board Committee
<table>
<thead>
<tr>
<th>Topic</th>
<th>Baseline Course Description</th>
<th>Advanced Course Description</th>
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<tbody>
<tr>
<td><strong>Governance Best Practices</strong></td>
<td>- Board role and responsibilities&lt;br&gt;- CEO Performance Evaluation and Compensation&lt;br&gt;- Contracting&lt;br&gt;- Ethics and Conflict of Interest 101&lt;br&gt;- Fiduciary Responsibilities&lt;br&gt;- PHQ Laws—Opportunities and Restrictions&lt;br&gt;- Quality and carrying out Board's Duty of Care</td>
<td>- Board Succession Planning&lt;br&gt;- CEO Succession Planning&lt;br&gt;- Compliance and Risk management&lt;br&gt;- Credentialing&lt;br&gt;- Engaging your community&lt;br&gt;- Ethics and Conflict of Interest&lt;br&gt;- Leadership Skills Training&lt;br&gt;- Running Elections&lt;br&gt;- Transparency: OPMA, PRA</td>
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<tr>
<td><strong>Business and Finance</strong></td>
<td>- Certificate of Need&lt;br&gt;- Data&lt;br&gt;- Finance 101&lt;br&gt;- Financial Oversight and Challenges&lt;br&gt;- Intro to Risk Management&lt;br&gt;- Medicaid/Payer Mix&lt;br&gt;- Statistics</td>
<td>- Forming Interlocal Agreements&lt;br&gt;- Mergers and Affiliations&lt;br&gt;- Network Adequacy/Narrow Networks&lt;br&gt;- Purchasing and Construction Laws for PHDs&lt;br&gt;- VBP Basics</td>
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<td><strong>Transparency and Community Engagement</strong></td>
<td>- Fundamentals of Community Engagement&lt;br&gt;- Open Public Meetings Act, Public Records Act 101</td>
<td>- Affordable Care Organization&lt;br&gt;- Ethics and Conflict of Interest 201&lt;br&gt;- Open Public Meetings Act, Public Records Act 201</td>
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<tr>
<td><strong>Public Policy &amp; Advocacy</strong></td>
<td>- Current Policy Topics&lt;br&gt;- Role of Hospital Boards in Advocacy</td>
<td>- Open Government Initiatives &amp; How to Make the Most of Them</td>
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<td><strong>Safety/Quality</strong></td>
<td>- Board Role in Leading Quality and Safety&lt;br&gt;- Health Disparities Programs&lt;br&gt;- Quality 101</td>
<td>- 501R Regulations&lt;br&gt;- ACA Update&lt;br&gt;- Behavioral Health&lt;br&gt;- Community Health Needs Assessments&lt;br&gt;- Federal and State Health Care Topics&lt;br&gt;- Healthier Washington&lt;br&gt;- KPI Data&lt;br&gt;- Moving to Value&lt;br&gt;- Rural Issues</td>
</tr>
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AWPHD AND WSHA

42ND ANNUAL RURAL HOSPITAL CONFERENCE

AWPHD MEMBERSHIP LEGAL UPDATE
BRAD BERG, FOSTER PEPPER PLLC

June 27, 2018
HB 2539 – 2018 Amendments to PHD Statute

- Expands the authority of PHDs to own and operate facilities and provide services that promote health, wellness and prevention of illness and injury
- Revises procedures relating to appointment/removal of superintendent to permit board to adopt a resolution at a single meeting (rather than two) appointing/removing a superintendent
- Effective June 7, 2018
Office of Financial Management filed a notice on May 18, 2018, increasing the PHD commissioner compensation threshold, which is subject to adjustment every five years based on CPI increase.

- The new per day threshold is $128 (previous limit was $114)
- The new annual limit is $12,288 (previous limit was $10,937)
- Effective July 1, 2018
Open Public Meetings Act Developments

- SHB 1417 (adopted in 2017) authorizes holding executive sessions to discuss computer and telecommunication security issues so long as legal counsel is present
- AG opinion confirms that one or more board members may participate in meetings by telephone/video conference
- AG opinion confirms that information discussed in executive session is confidential
- Supreme Court decision narrowly construes executive session exception relating to sale/lease of property
Public Records Act Developments

- **Rufin v. City of Seattle**, 199 Wn. App. 348 (5/26/2017) - reasonableness of the search for a record is determined by the nature of the search process, not upon whether the record exists

- **John Doe v. Benton County**, 200 Wn. App. 781 (10/10/2017) - county may delay responding to public records request so it can notify third party

- **West v. City of Puyallup**, ___ Wn. App. ___ (2/21/2018) - councilmember’s personal Facebook page is not *per se* a public record
Public Records Request Relating to Collection Practices

- All PHDs in Washington have recently received a public records request from a Seattle Times reporter requesting records relating to their hospital use of collection agencies.

- Statute governing collection agencies includes special provision applicable to governmental entities that authorizes collection agencies to charge the patient a fee of up to 50% of the amount owed if the amount owed is less than $100,000 and up to 35% if the amount owed is more than $100,000.

- Charity care regulations require hospitals to develop, and submit to DOH, bad debt policies and procedures, including reasonable and uniform standards for collection of the unpaid portions of hospital charges that are the patient's responsibility.
Reproductive Privacy Act Update

- Skagit County PHD No. 1 and the ACLU entered into a settlement agreement in August 2017, in which PHD 1 agreed to continue to provide termination services at one of its outpatient clinics and the parties agreed to dismiss the appeal pending before the Court of Appeals.
- Several other PHDs have either begun providing termination services or are working with the ACLU and Planned Parenthood regarding the possibility of doing so.
Janus v. AFSCME U.S. Supreme Court Decision

- Decision may overturn a 1977 U.S. Supreme Court decision that public employee unions could, without violating First Amendment free speech rights, collect “fair share” or “agency fees” since the unions have a legal obligation to represent all workers, whether or not they chose to be members.
QUESTIONS?

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Thank you for coming!