

Cascade Medical Center Board Minutes

March 16th, 2022

CMC Conference Room/Zoom

12:00 pm – 2:00 pm

Trustees present in person: Rachel Smith and George Greenfield

Trustees attending remotely via Zoom: Lesa Becker, Jacque Zemlicka, David Croshaw, and Michael Drury

Members absent and excused: David Gough

Others present: Tom Reinhardt, David Donnahoo, Teri Coombs and Sarah Hasbrouck

Community Members Present: Max Silverson

Call to Order: Meeting called to order by Rachel Smith at 12:00PM.

Mission Moment: Michael Drury shared his experience with CMC as a child, becoming injured during a family camping trip in Yellow Pine. He was able to come to the ER here and receive treatment so that he could return to his family's trip instead of having to cut it short and be treated in Boise.

Approval of Agenda:

Discussion occurred about the items in the consent agenda, specifically that there was Provider Credentialing within the Medical Staff minutes. The members of the Board felt that because that item requires a specific motion and action from the Board, that it should be added to the Agenda after the CEO update. A motion to approve the agenda with Credentialing removed from the Consent Agenda was made by George Greenfield, seconded by Lesa Becker; all members were in favor, motion passes.

Consent Agenda:

- a) Approval of Minutes from the February 16, 2022 BOT meeting.
- b) Approval of Minutes from the February 23, 2022 special BOT meeting.
- c) Medical Staff Minutes & Utilization Report
- d) Financial Report & Volume Trends
- e) COVID Infection & Vaccination Rates

The Consent Agenda items were reviewed by the members of the board. Hearing no further requests to remove any other items, Vice Chairperson, Rachel Smith moved to adopt the Consent Agenda as presented.

Leadership Update:

CEO Update

Tom notified the Board that Inpatient rooms 3 and 4 were now completely renovated and ready to use. He let the Board know that the St Lukes Foot Clinic is now active in Cascade, utilizing space at the Senior Center on the second Wednesday of each month. He spoke about a grant received from the Murdock Foundation for the CT scanner totaling \$125k, but that CMC would need to match the grant.

Payor Contract Update

Tom notified the members of the Board that the contract negotiations with Pacific Source had been completed, along with the new contracts for St Luke's Health Partners and CIGNA. He will be working on the Blue Cross of Idaho contract next.

New Hospital Building Project Update – with BWBR

Tom provided a brief update of his presentation to the Cascade City Council regarding the land purchase and location as well as the Annexation application that he plans to submit so that the new hospital is still within the Cascade City limits. He reviewed the press release that will be in the Star News tomorrow announcing the Board's decision to recommend a new facility be built. Tom also reviewed the communication planning in conjunction with the Foundation to inform the public of the need for a new hospital and the related details. That communication roll out will begin in late March.

Tom spoke about the progress of the New Hospital, specifically focusing on the project financing. Tom and David Donnahoo addressed the options available, including a Bank loan versus a USDA loan and a Bond option. The bond election would occur on May 17th and require a super majority approval.

Members from BWBR gave a brief presentation via Zoom, to the members of the Board on the site plans and two design options. The members of the Board discussed what they liked and disliked about the two options, but all agreed they could support either.

Cascade Pharmacy Status

Tom let the members of the Board know that he did not have any new updates about the replacement of Watkins, including a temporary location.

Provider Credentialing

Sarah presented the application for reappointment for David Hill, PA-C for a term of two years. She found no deficiencies with his application and asked that the Board make a motion to accept the recommendation of the Medical Staff and reappoint David Hill to the Medical Staff as an Active member for a term of two years, expiring February of 2024. Lesa Becker make the motion to accept Dave Hill's application, George Greenfield seconded the motion. All members were in favor; motion passes.

Sarah also presented application for reappointment from the Gem State Radiologist group. Each provider submitted individual applications that were verified using delegated credentialing from Saint Alphonsus Regional Medical Center. Sarah provided the recommendation that all of these providers met the requirements of our Medical Staff Bylaws and that the members of the Board make a motion to accept their applications for reappointment to the Medical Staff as Telemedicine/Consulting privileges for a term of two years, expiring April 2024. Michael Drury made a motion to accept the recommendation of the Medial Staff to reappoint the providers of the Gem State Radiology group to the Medical Staff for a term of two years. George Greenfield seconded this motion. All members were in favor; motion passes.

New Business:

Purchase of upgraded CT scanner

David notified the members of the Board that we received a grant for \$125k from the Murdock Foundation for the new CT scanner, but the grant requires a match. David discussed that CMC has the funds to match the grant, but given the current process for determining debt capacity for the new hospital, it may be beneficial to ask the Foundation to provide the matching funds. Jacque did let the members of the Board know that asking the Foundation to provide the funds match was the recommendation of the Finance Committee. A motion was then made by Jacque Zemlicka to ask the Foundation to provide the funds to match the requirements of the grant. David Croshaw seconded this motion; all members were in favor, motion passes.

FY21 Audited Financials Presentation

David Imus with Wipfli provided a brief overview of the presentation provided to the Finance Committee on the FY21 Audited Financials. He noted that our Days Cash on Hand was very strong at 328 days. Discussion occurred between the members of the Board about improvement of the Financials over the past few years, and credited current Leadership. A motion was made by Michael Drury to accept the Audited Financials presented by Wipfli. Jacque Zemlicka seconded this motion. All members were in favor; motion passes.

Replacement Hospital Financing Options

David Donnahoo presented options to the members of the Board on financing a replacement hospital. Topics of his presentation included discussion of the GO Bond as cushion for bank risk tolerance, as well as inflation and interest rate risks. This was done with consideration of the voter's tax burden tolerance. David reviewed the various options of Bank financing, focusing on local banks within the area and banks we already have a relationship with. He also spoke about the Financial Forecast, stating the DZA was still working on the project but expected to deliver a result the following week.

David spoke on the financial risks of the project, addressing Bank Risk Tolerance, Inflation Risk, and Interest Rate Risk and how each of them would impact the project. He also reviewed the Project Funding Sensitivity Analysis and the Property Tax Buren Sensitivity analysis.

Bond Referendum Amount and Language

After reviewing the presentation by David Donnahoo, the members of the Board discussed the Bond Referendum, including the amount and language of what the request would say. The recommendation of the Finance committee was reviewed and discussed. Jacque Zemlicka made a motion that Cascade Medical Center Hospital District adopts Resolution Number 2022.03.16-01 ordering a special bond election to issue \$19M in general obligation bonds for the purpose of constructing a replacement district hospital. Lesa Becker seconded this motion. All members were in favor; motion passes. The necessary documents will be submitted by David Donnahoo to the proper departments at the County offices.

IHA PAC Request

Tom notified the members of the board that the Idaho Hospital Association PAC had asked for permission to contact salaried employees to request donations. Discussion occurred about providing private employee contact information, but it appeared that they were not asking for information but rather just the ability to approach employees. It was decided that the Board does not object to this.

Committee Reports:

Finance Committee:

Members:

Jacque Zemlicka, Chairperson
Michael Drury
George Greenfield
David Donnahoo
Tom Reinhardt

The Finance Committee did meet in March 2022 to review the Audited Financials presented by Wipfli as well as the Murdock Grant match request for the new CT scanner. They also had a Special Meeting to consider the options for the Bond Request and Financing of the New Hospital.

Strategic Planning Committee:

Members:

David Gough
George Greenfield
David Croshaw
Tom Reinhardt
Jack Knoblock
Karolyn Plehal
Ann Young

The Strategic Planning Committee did not meet.

Quality Assurance, Performance Improvement and Compliance Committee:

Members:

Lesa Becker, Chairperson
Rachel Smith
David Gough
Aline Lee
Tom Reinhardt
Teri Coombs
Sarah Hasbrouck
Dr. Camarata

The Quality Assurance, Performance Improvement and Compliance Committee did not meet in March.

Executive Session:

An Executive Sessions was not held during the March 2022 Board meeting.

Other/Next Steps:

Agenda Topics for Next Meeting:

- Mid-Year Financials Presentation
- New Hospital Communication/PR Update

Meeting Evaluation:

Members appreciated having the financial information in advance to review for today's meeting.

Adjournment: A motion to adjourn the meeting was made by Jacque Zemlicka, seconded by George Greenfield. All members were in favor, motion passes. Meeting adjourned at 2:09pm.