

KPHD

Kennewick Public Hospital District
Board of Commissioners

Board Meeting Packet

Thursday, Feb. 27, 2020
10 N. Washington Street
Kennewick, WA
5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
February 27, 2020

All Materials under the Consent Agenda are considered routine by the Board of Commissioners and will be adopted by one motion in the form listed below. There will be no separate discussion of these items. An item may be removed from the Consent Agenda and considered separately if the board members or the public desire further discussion.

1. Approval of Minutes:

- a. Board Meeting Jan. 30, 2020

2. Approval of Warrant Register/Revenue Fund

3. Acceptance of Financial Report:

- a. Approval of January P&L Statement

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BOARD OF COMMISSIONERS
BOARD MEETING
AGENDA**

Thursday, February 27, 2020 | 10 N. Washington Street, Kenn., WA

CALL TO ORDER

I. DISTRICT BUSINESS:

- A. Approval of Consent Agenda***
- B. Public Comment**

II. NEW BUSINESS:

- A. Executive Report – Lee Kerr**

B. Committee Reports/Recommendations

- 1. Finance & Audit – Steve Blodgett, Finance Chair / Nathan Burt
 - a. January financial statements
 - b. Treasurer’s Report: Status of Audits and Annual Reports
- 2. Planning Committee – Len Dreisbach and Lee Kerr
 - a. Status of feasibility studies and funding from counties
- 3. Adult Day Services – General Update Rick Reil or Steve Blodgett
- 4. Governance Committee Updates – Gary Long
- 5. Public Records Requests and Updates – Heidi Ellerd
 - a. Policies for review: Records Retention Policy and Communication With the Public*
 - b. Resolution 2020-1 Amending Two Meetings of the Board for 2020*

III. EXECUTIVE SESSION RCW 42.30.110 (1)(i) – Potential Litigation.

IV. COMMISSIONER COMMENTS

- A. Upcoming items**

V. BOARD MEETINGS/EVENTS/EDUCATION:

- A. Next Regularly Scheduled Board Meeting – Thursday March 26, 2020 @ 5:00p.m.**

ADJOURNMENT

Note - Items noted with an asterisk constitute possible action by the Board of Commissioners.

Minutes

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BOARD OF COMMISSIONERS
BOARD MEETING
MINUTES**

Thursday, January 30, 2020 | 10 N. Washington Street, Kenn., WA

CALL TO ORDER 5:01 pm

**Commissioners Present: Len Dreisbach, Marv Kinney, Gary Long, Steve Blodgett, Rick Reil
Commissioners Excused: Wanda Briggs, Mike McWhorter
Executive Support: Heidi Ellerd, Nathan Burt, Salem Snowdy, Lee Kerr (via phone)**

I. DISTRICT BUSINESS:

A. Approval of Consent Agenda*

The materials listed under the Consent Agenda are considered routine by the Board of Commissioners and are adopted by one motion. There will be no separate discussion of the following items

- Approval of the previous month's Board minutes
- Approval of warrant register/revenue fund
- Acceptance of financial report

However, an item may be removed from the Consent Agenda and considered separately if the Board members desire further discussion. As of this date, the Board of Commissioners unanimously approves by a majority vote, the payment of those items included in the Consent Agenda and further described as follows:

IT WAS MOVED AND SECONDED TO APPROVE THE CONSENT AGENDA AS SUBMITTED. NO DISCUSSION. MOTION CARRIED.

B. Public Comment

Richard Yrjanson gave public comment.

Ken Mey gave public comment.

II. NEW BUSINESS:

A. Executive Report – Lee Kerr (via phone)

1. Ayers and KID property updates -next meeting is on March 4th.
2. Stoel Rives and Foster Pepper accounting updates – Administrative expenses can be deducted from the tax revenue allocation and costs are still coming in related to the bankruptcy. Attys are reviewing the expenses to determine eligibility.

B. Committee Reports/Recommendations

1. Finance & Audit – Steve Blodgett, Finance Chair / Nathan Burt
 - a. December financial statements – Of interest, please see 2019-year tallies (line 950 Line 30) noting putting money toward goals the District has identified. Account 900 Richmond trust income balance updates. New is line 2020 AP Line 2030 new account, funds held in trust. Income from BNSF, B&J Orchards, and B&B is still being determined as allowed.
 - b. Treasurer's Report: Status of Audits and Annual Reports
Steve has been in contact with Eide Bailly. Internal challenges on their part is reason for the delay in finishing the audit. This is the 2018 financial audit that is complicated

due to the bankruptcy and sale to RCCH. The final report is expected soon. The state will conduct a review of the financial audit once completed, and the State has not expressed a concern about it being late. A copy of the financial audit is due to Trios/Life Point and the creditor's trust. Steve will reach out to Eide Bailly for a formal plan/reason as to why the audit is late and then Steve will update the State.

2. Planning Committee – Len Dreisbach and Gary Long
 - a. Status of feasibility studies and funding from counties
Franklin County commissioners are favorable to the proposed recovery center efforts. The Benton County commission has the District on their Feb. 4th meeting agenda. The ask is for the counties to fund the studies at \$12,500 each. The Benton county meeting will be in Prosser on Feb. 4th at 9:00 a.m.
From Heidi: Update on DBA “Two Rivers Health District”. Login with the state for online registration was not available, so some steps had to be taken to regain access to our login. Rick was on the board at the time it was being used and was listed with the state, so he will sign the request for the login. All d/b/a's will be reviewed to see if we wish to keep any.
3. Adult Day Services – General Update and IT project completion, Rick Reil.
 - a. IT project went very well, and all are satisfied. A website and is in the planning stages.
4. Cancer Center Update – Wanda Briggs/Lee Kerr.
 - a. Process of finalizing the appraisal. Lee feels they are within 30 days of completing this process.
5. Governance Committee Updates – Gary Long
 - a. Reaffirm Committee assignments for 2020*

IT WAS MOVED AND SECONDED TO REAFFIRM THE COMMITTEE ASSIGNMENTS FROM 2019 FOR 2020. NO DISCUSSION. MOTION CARRIED

- b. Marv Kinney report on PDC F1 online filings requirement –
PDC filings are all online through a Secure Access Washington account. Heidi's office will provide detailed instructions on how to do it. Filings are due in April 2020.
 - c. Status of 805 and 807 S. Auburn Street –
Rec'd offer to purchase the property and the steps are to obtain three appraisals if the board chooses to sell it.
 - d. Discussion on minutes and public comments - There is no statutory requirement to publish public comments in the minutes of a public agency. There are three options. Have the public comments summarized as best the recorder can do, do not indicate what is said from the public, or to have the public provide a statement to attach to the minutes. Input from Heidi is that public provide the comments they would like included in writing limited to one page so that any public comment is not misconstrued. The board wanted to proceed that direction. Policy will be amended for review next meeting.
 - e. Discuss meeting date changes for 2020 due to holidays or other conflicts* Nov. 26th (Thanksgiving) have meeting November 19th. Dec. 31 (New Year's Eve), have meeting Dec. 17th with caveat to have ability to cancel meeting. Heidi will provide resolutions reflecting the date changes.
6. Public Records Requests and Updates – There have been more requests that are being processed as well as ongoing requests from before.

III. COMMISSIONER COMMENTS

Len – Happy to see the recovery center efforts are progressing and community support seems to be present.

IV. BOARD MEETINGS/EVENTS/EDUCATION:

A. Next Regularly Scheduled Board Meeting – Thursday February 27, 2019 @ 5:00 p.m.

ADJOURNMENT 5:58 pm

Gary Long, President

Marv Kinney, Secretary

Financials

**Kennewick Public Hospital District
Balance Sheet**

As of January 31, 2020

Accrual Basis

	Jan 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1010 · US Bank Checking	97,349.50
1020 · Key Bank Worker's Comp	19,062.30
1030 · Restricted Funds	130,826.74
Total Checking/Savings	247,238.54
Total Current Assets	247,238.54
Fixed Assets	
3000 · District Building	238,350.00
3005 · Land	34,900.00
3010 · Accumulated Depreciation	
3010-1 · Accum Depr - Buildings - KPD	-238,350.00
Total 3010 · Accumulated Depreciation	-238,350.00
Total Fixed Assets	34,900.00
Other Assets	
1210 · Prepaid Expenses	1,277.09
2001 · Richmond Trust (Restricted)	670,623.44
Total Other Assets	671,900.53
TOTAL ASSETS	954,039.07
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 · Accounts Payable	58,338.63
Total Accounts Payable	58,338.63
Credit Cards	
2023 · US Bank Corp Payment Systems	123.76
Total Credit Cards	123.76
Total Current Liabilities	58,462.39
Long Term Liabilities	
2100 · Loan from ADS	308,493.77
Total Long Term Liabilities	308,493.77
Total Liabilities	366,956.16
Equity	
3001 · Net Assets	465,160.41
3200 · Retained Earnings	137,629.46
Net Income	-15,706.96
Total Equity	587,082.91
TOTAL LIABILITIES & EQUITY	954,039.07

Kennewick Public Hospital District
Profit & Loss
January 2020

Accrual Basis

	Jan 20	Jan 20
Ordinary Income/Expense		
Income		
100 · Property Tax Revenue	3,648.49	3,648.49
Total Income	3,648.49	3,648.49
Cost of Goods Sold		
200 · Community Care Agreement	2,918.79	2,918.79 ¹
Total COGS	2,918.79	2,918.79
Gross Profit	729.70	729.70
Expense		
VOID	0.00	0.00
301 · Health Initiative Contributions	5,000.00	5,000.00 ²
320 · Facilities Expense		
322 · Rent Expense	-2,170.00	-2,170.00
323 · Utilities	328.04	328.04
320 · Facilities Expense - Other	434.00	434.00
Total 320 · Facilities Expense	-1,407.96	-1,407.96
326 · Insurance	188.00	188.00
330 · Legal and Professional		
331 · Attorney Fees	4,489.50	4,489.50
332 · Accounting	1,300.00	1,300.00
335 · Administrative Support	2,200.00	2,200.00
Total 330 · Legal and Professional	7,989.50	7,989.50
340 · Office Expenses	277.76	277.76
345 · Other Operating Expenses	108.54	108.54
Total Expense	12,155.84	12,155.84
Net Ordinary Income	-11,426.14	-11,426.14
Other Income/Expense		
Other Income		
960 · Interest and Dividend Income	4.57	4.57
970 · Rent Income	459.08	459.08
Total Other Income	463.65	463.65
Other Expense		
810 · Interest Expense	4,744.47	4,744.47
Total Other Expense	4,744.47	4,744.47
Net Other Income	-4,280.82	-4,280.82
Net Income	-15,706.96	-15,706.96

Kennewick Public Hospital District
Profit & Loss
January 2020

Accrual Basis

- 1.** The Community Care Agreement is the legal document confirmed by the Bankruptcy Court outlining the District's shift from directly providing hospital services through a hospital owned and operated by the District, to contracting for those services from LifePoint/RCCH DBA Trios which the District is statutorily authorized to do. (RCW 70.44.060).

It provides not only "adequate provision for the needs of the District and residents" (RCW 70.44.060) and well defined continuing high quality healthcare services, but also to adopt a "charitable care policy" to meet the health care needs of the most vulnerable members of our community, including continuing the District's "admissions and nondiscrimination policies" to ensure healthcare services are available to all of the District's residents.

To review the agreement, please visit the website at: <https://kenkphd.com/downloads>

- 2.** Health Initiative Contributions represent the District's financial efforts, in addition to overseeing the Community Care Agreement, to meet the health care needs of the most vulnerable members of our community. In 2020 these contributions are going towards studying the feasibility of converting Trios' Auburn campus to the Tri-City's first and only addiction rehabilitation center. This is a multi-county and multi-city effort. The Hospital District is seeking matching funds from both Franklin and Benton counties as well as other government and non-governmental agencies. Benton Franklin Recovery Coalition has already donated \$2,000 towards this effort. Additionally, funds have also been earmarked for another year of Camp Trios.

Kennewick Public Hospital District
Statement of Cash Flows
January 2020

	<u>Jan 20</u>
OPERATING ACTIVITIES	
Net Income	-15,706.96
Adjustments to reconcile Net Income to net cash provided by operations:	
2020 · Accounts Payable	-433,409.36
2023 · US Bank Corp Payment Systems	123.76
	<hr/>
Net cash provided by Operating Activities	-448,992.56
INVESTING ACTIVITIES	
2001 · Richmond Trust (Restricted)	5,667.63
	<hr/>
Net cash provided by Investing Activities	5,667.63
FINANCING ACTIVITIES	
2100 · Loan from ADS	-6,228.14
	<hr/>
Net cash provided by Financing Activities	-6,228.14
Net cash increase for period	-449,553.07
Cash at beginning of period	696,791.61
	<hr/>
Cash at end of period	<u><u>247,238.54</u></u>

Resolutions

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BENTON COUNTY, WASHINGTON
RESOLUTION NO. 2020-1**

**A Resolution modifying two meetings of the Board of
Commissioners in 2020**

WHEREAS, the Kennewick Public Hospital District Board of Commissioners have set their calendar of regularly scheduled meetings by Resolution 2018-23 to be the last Thursday of every month at 5 p.m.; and

WHEREAS, the Kennewick Public Hospital District Board of Commissioners find it desirable to alter the meeting date and time of certain regular meetings for 2020 as set forth below;

NOW, THEREFORE BE IT RESOLVED that the regular meetings set forth below are hereby changed as follows:

- Thursday, November 26, 2020 meeting will be moved to Thursday, November 19, 2020th. The meeting will begin at 5 p.m. at 10 N. Washington Street, Kennewick, Washington.
- Thursday, December 31, 2020 meeting will be held on Thursday, December 17, 2020, at 5:00 p.m., at 10 N. Washington Street, Kennewick, Washington.

All other regular meetings for the year 2020, except those expressly set forth above, shall be held pursuant to Resolution 2018-23.

ADOPTED AND APPROVED by the Commissioners of Kennewick Public Hospital District, Benton County, Washington, at a regular public meeting thereof this 27th day of February, 2020, the following Commissioners being present and voting:

**KENNEWICK PUBLIC HOSPITAL DISTRICT
BENTON COUNTY, WASHINGTON**

Gary G. Long, President & Commissioner

Steve Blodgett, VP, Treasurer, and Commissioner

Marv Kinney, Secretary and Commissioner

Richard L. Reil, Commissioner

Wanda L. Briggs, Commissioner

Leonard Dreisbach, Commissioner

Mike McWhorter, Commissioner

Committee Recommendations and General Info.



Index No.: KGH003044

Library Folder: Board of Commissioners
Page 1 of 22

TITLE: Communication With Public

Implementation Date: 01/2005
Revised Date: 04/14, 9/17, 2/20

APPROVED:
(Signed) Signature of File
(Typed) ~~Marvin Kinney~~ Gary Long,
President
Date: 9/17/20

Reviewed
by:

Victor
Johnson

Jim
Mefford

Jim
Mefford

Marvin
Kinney

Gary
Long

Date:

11/10

2/11

04/2014

9/17

2/2020

I. PURPOSE:

It is recognized that the Board is a publicly elected body and according to State statute, all meetings are open to members of the public. Washington statutes do not prescribe a mechanism by which the public may address the Board at their meetings. It is the desire of the Board of Commissioners to establish reasonable guidelines by which the public can address them as a public body.

II. POLICY:

- A. The Board wishes to extend the privilege to the public of addressing them on relevant topics in a constructive and orderly manner.
- B. The President of the Board may set time limits, may require those wishing to speak to sign a roster, and may establish other rules for the orderly conduct of the meeting. Under the title-item of "Public Comment" on the Board's regular meeting agenda, or when called upon, each person addressing the Board shall step in front of the Board, will give his/her full name and address for the record, and shall limit their address/comments to the time allotted by the Board President. All remarks shall be addressed to the Board as a body, and not to any Board member specifically. No person, other than members of the Board and the person having the floor, shall be permitted to enter into any discussion either directly or through the members of the Board. No questions shall be responded to by Board members, or others in attendance, except as may be permitted by the President. The person giving the public comment may summarize their comments and provide a written one page document to the Board for inclusion with the minutes. The person's comments will not be included in the written minutes but will be included as an exhibit to the minutes of that month's meeting.
- C. After hearing any public comment, the President will thank those individuals that address the Board.
- D. **Behavior** - within the purview of State statutes, the Board is not expected to tolerate



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TITLE: Communication With Public

Implementation Date: 01/2005

Revised Date: 04/14, 9/17, 2/20

the behavior of any person making personal, impertinent or slanderous remarks, who shall become boisterous while addressing the Board, or violate the rules established by the President or this policy. In the event of this type of behavior, it is within the authority of the Board President to remove the individual or individuals from the meeting. If order cannot be restored the governing body may order the room cleared and continue in session or, the President may declare the meeting adjourned; instruct. Meeting will then commence at a later date set by the board president at another location selected by a majority of the members. ~~Board members to meet at another location, and close the meeting to the public.~~

III. PROCEDURE FOR IMPLEMENTATION:

- A. This policy will be discussed and executed at a Board meeting so that the information contained herein is of a public nature. The policy will be contained with the Board's policies ~~filed on the Trios Health policy site~~ and copies will also be distributed to each Board member. ~~A copy of the policy shall be given to anyone who asks in advance to be placed on the agenda of a Board meeting. This policy will be posted on the District's website so that the public will have knowledge of the public comment procedure.~~
- B. ~~New and revised policies will be sent via email to all employees with an email address. Each department manager will ensure that those employees without a district email address are notified of new and revised policies that are pertinent to their position.~~
- C. ~~Employees will be shown how to access policies on the Trios Health policy site during the orientation process.~~

IV. REFERENCE SECTION:

- A. References: N/A
- B. Distribution: Housewide Board Handbook
- C. Supersedes: None
- D. Prepared/Updated by: Administration Board of Commissioners
- E. Reviewed by: Board of Commissioners and Superintendent & CEO
- F. Approved by: Board of Commissioners
- G. Joint Commission Standard: N/A

		Index No.: KGH000297 Intradoc Folder: Health Information Management Page 1 of 34			
TITLE: Retention of Records Schedule		Implementation Date: 09/2003 Revised Date: 08/11, 04/14, <u>02/20</u>			
APPROVED: (Signed) <u>Signature on File</u> (Typed) Tony Sudduth <u>Gary Long</u>, CEO <u>President</u> Date: 04/2014 <u>02/2020</u>	Reviewed by:	Cynthia Kelly	Cynthia Kelly	<u>Gary Long</u>	
	Date:	08/11	01/2014	<u>02/2020</u>	

I. PURPOSE STATEMENT

Define the Retention Schedule for ~~Trios Health Records~~ Kennewick Public Hospital District Records.

II. POLICY STATEMENT

~~Trios Health~~ Kennewick Public Hospital District's records will be retained in accordance with State and Federal regulations, Washington State Statutes, Washington State Archives Public Hospital Districts Records Retention Schedule, Health and Human Services regulations and The Joint Commission requirements and as these are hereafter amended. Hereinafter will be referred to as "Records Retention Schedule".

III. PROCEDURE:

A. The Public Hospital District's Records Retention Schedule will be used to define the retention period for ~~health~~ records. ~~A copy of the schedule is attached. Trios Health~~ Kennewick Public Hospital District's records will be scheduled for destruction as indicated on the ~~Public Hospital Districts Records~~ Records Retention Schedule unless the following conditions exist:

1. An authorization for disclosure has been received in the past year. Records will be held from destruction for one year following a request for disclosure.
2. A request for examination and copying has been received in the past year. Records will be held from destruction for one year following a request for examination and copying.
3. A request for a correction or amendment has been received in the past year. Records will be held from destruction for one year following a request for correction or amendment.

TITLE: Retention of Records Schedule

Implementation Date: 09/2003
Revised Date: 08/11, 04/14,
02/20

4. A legal hold has been placed on the record. Records will be held from destruction for the period of time determined to be prudent by the Trios Health Risk Manager Superintendent or the Board of Commissioners.
5. ~~A record has been identified as a possible duplicate record on the Possible Duplicate Record Report.~~

~~B. The Schedule shall constitute authority for Trios Health to retain the records listed therein on a recurring basis until it is either amended or revised by the Local Records Committee or the State Archivist Offices.~~

~~C. The Public Hospital Districts Records Retention Schedule will be reviewed at least annually by the Director of HIM or his/her designee for deletions/additions and resubmitted for approval.~~

~~IV. IMPLEMENTATION AND TRAINING PLAN~~

~~A. New and revised policies will be sent via email to all employees with an email address. Each department manager will ensure that those employees without a district email address are notified of new and revised policies that are pertinent to their position.~~

~~B. Employees will be shown how to access policies on the Trios Health policy site during the orientation process.~~

V.IV. REFERENCE SECTION

A. References:

- a. Washington State Archives Public Hospital Districts Records Retention Schedule found on the Washington Secretary of State's Website. found at www.sos.wa.gov/archives/RecordsManagement/Records-Retention-Schedules-for-Hospital-Districts.aspx
- ~~b. RCW 70.41 as amended.190 (Medical Records of Patients—Retention and Preservation) and RCW 70.41.190, Chapter 5.46—What can be retained in Photographic form~~
- ~~c. RCW 40.14.as amended070 and~~
- ~~d. RCW 70.02 as amended.160 (Uniform Health Care Information Act—Retention for one year following request for disclosure, pendency for examination and copying, or request for amendment.~~



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Page 3 of 4

TITLE: Retention of Records Schedule

Implementation Date: 09/2003
Revised Date: 08/11, 04/14,
02/20

~~e.d.~~ HIPAA as amended Privacy Rule

~~f.~~ HIPAA Security Rule

~~g.e.~~ OSHA

~~h.f.~~ Health and Human Services

B. Distribution: ~~Housewide Nonclinical~~ Board of Commissioners

C. Supersedes: Retention of Records – Hospital Retention Schedule 1996

D. Prepared by: ~~Cynthia D. Kelly, RHIT, Director, Health Information~~ Board of Commissioners

E. Reviewed by: ~~Policy and Procedure Committee~~ Board of Commissioners

F. Approved by: ~~Jerry Paule, CFO~~ Gary Long, President

~~G. Joint Commission Standard: Information Management: IM: 02.01.03~~