

King County Public Hospital District No. 2
d/b/a EvergreenHealth
Board of Commissioners Meeting
EvergreenHealth Medical Center, Kirkland, WA
June 2, 2020
Study Session Meeting Minutes

Comms. Present: Comms. Butler, DeYoung, Edwards, Hirt, McLaughlin, Pilcher, and Snyder

Medical Staff Leadership: Chad Bentsen, MD

Others Present: Chris Bredeson, Jeff Friedman, Richard Meeks, Aileen Mickey, Tina Mycroft, Ettore Palazzo, MD, Candace Scairpon, Mary Shepler, Kay Taylor, Jeff Tomlin, MD, Garrett Buckingham, Jessica Granger, Daria Heimerman

Legal Counsel: Kevin Hansen

Guests: Karissa Marker-KPMG, Paige Hagen-KPMG, Kristin Dorr-KPMG, Fred Eoff-PFM, Brad Berg-Foster Garvey PC

Location: This meeting took place by phone, no in person location

PUBLIC MEETING AND EXECUTIVE SESSION

Comm. McLaughlin called the June 2, 2020 Study Session Meeting of the Board of Commissioners of King County Public Hospital District No. 2 to order at 4:30 p.m. Comm. McLaughlin announced that the Board would immediately adjourn into Executive Session to consider and discuss matters allowed in executive session pursuant to RCW 42.30.110, including but not limited to discussion of pending litigation and personnel matters. Comm. McLaughlin further announced that the Executive Session would adjourn at approximately 5:30 p.m. and that the open Public Meeting would reconvene at that time.

The Executive Session commenced at 4:30 p.m. At 5:33pm Ms. Scairpon announced a 5-7 minute delay. The Executive Session was concluded at 5:45 p.m., at which time a short recess was taken.

Comm. McLaughlin reconvened the Public Meeting, calling it to order at 5:47 p.m. and welcoming those present.

Order of Business

There were no changes to the agenda.

Discussion Items for Proposed Action on June 16, 2020

Annual Financial Audit	Tina Mycroft, CFO, welcomed the team from KPMG including Karissa Marker, Paige Hagen and Kristin Dorr. The KPMG team provided an overview of the audit results and noted that we are waiting on approval of EHM audit before approving this audit. The KPMG report included an overview of the significant results, significant risks, etc., and noted it was a very clean and smooth process even despite moving to a fully remote audit process. Ms. Marker noted there is an adjustment to the legal reserves due to pending litigation. The team responded to questions from the Board throughout.
2020 Financial Forecast Update with Interfund Loan & Line of Credit Recommendations	<p>Ms. Mycroft provided a COVID-19 update which included EH surgery and ED reforecast, EH business resumption risks/unknowns, recovery funding status, and estimated COVID-19 costs.</p> <p>Additionally, Ms. Mycroft presented a financial update which included a review of previous forecasts, EH forecast – best case economic scenario, EH cash flow assumptions, EH days cash on hand without funding sources, EH days cash on hand – economic scenarios, interfund loan on project fund, summarized cash flow forecast – FMC/MFP2, and summary of key terms and debt service schedule. Ms. Mycroft also reviewed the EH line of credit responses, terms and the process of obtaining them. Ms. Mycroft responded to questions from the Board throughout.</p>
2020 Quality and Absolute Safety Plan	Ettore Palazzo, MD, Chief Medical & Quality Officer, presented the 2020 Quality & Absolute Safety Plan including the purpose, objectives, 2020 goals, scope, responsibilities and structure, and performance improvement methodology. Dr. Palazzo responded to questions from the Board throughout the presentation.
Construction Change Order Policy Change	Jeff Friedman, Vice President of Operations, presented a summary of the changes to the Construction Change Order Policy which include clarifying titles of committee members, allowing the committee to conduct work electronically, increasing approval limits, moving it from a Board policy to an Administrative policy, etc. Mr. Friedman responded to questions from the Board throughout the presentation.

Small Works Roster Policy Change

Garett Buckingham, Director of Design & Construction Management, presented a summary of the Small Works Roster Policy change request which includes increasing the allowable limits as a result of a 2019 legislative change and allowing the limits to change as the RCW amounts change. Mr. Buckingham responded to questions from the Board throughout.

Memo HVAC Modifications for Negative Pressurization Change Order

Mr. Buckingham presented a memo regarding HVAC Modifications for Negative Pressurization Change Order, indicating that this would give the new CCU unit the ability to easily change to negative flow rooms in the event of a pandemic. He reviewed the changes that would be required to make this change and the cost of the work. Mr. Buckingham responded to questions from the Board throughout.

Reports

Medical Staff Update

Dr. Bentsen said that it's nice to be getting back to routine and necessary tasks, and things are going smoothly.

CEO/Administrative Update

Dr. Tomlin reviewed the following topics

- Upcoming leadership retreat
- Protest impacts on the district
- Updates on thanking our community for their support
- CIO hiring progress
- Summary of written report

Dr. Tomlin responded to questions from the Board throughout.

Comm. McLaughlin - I'd like to acknowledge the passing of Kurt Julian, RN and on behalf of the Board, I'd like to send our condolences to his family, friends and coworkers.

Adjourn

The June 2, 2020 meeting of the Board of Commissioners for King County Public Hospital District No. 2 was adjourned at 7:30 p.m.

ATTEST:

Minerva Butler, Secretary/Commissioner

Exhibit A – Guests

Name	Residence
Karissa Marker	KPMG
Kristin Dorr	KPMG
Paige Hagen	KPMG
Fred Eoff	PFM
Brad Berg	Foster Garvey PC