

Orcas Family Health Center (Dr. Shinstrom) Responses to Madrona Voices Questions

Madrona Voices provided Dr Shinstrom the set of written questions you see below. Then, we sat down with Dr. Shinstrom and Aimee Johnson in person, and we took notes of the conversation. These notes were shared back with them, and they modified the notes to make sure that what you see here is what they want to say. Madrona Voices questions are in black. The answers in blue are their writing.

We appreciate the time and effort that they took to respond. We hope that what they have to say helps you decide on your vote about the public hospital district.

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Some history

How long has Dr. Shinstrom been offering medical services on Orcas Island?

Dr. David Shinstrom has been practicing for 25 years on Orcas Island. He first came at the request of the Orcas Island Medical Billing Association. "I was the only physician for the first four years. During that time the gross revenues increased significantly to the point of being able to hire another physician. With that and the support of the Orcas Medical Support Group, which provided \$100,000 a year for four years, we were able to add two additional doctors. These were Diane Boteler and Todd Cowdery."

In 2003, the hospital cancelled my contract, and I set up practice in the current location in January 2004.

Do any other doctors or physician's assistants work with you in your office?

Two Certified Physician Assistants: Karen Caley Orr and Jennifer Utter.

Do you encourage people to vote for or against the public hospital district? Why?

To vote for; Orcas Family Health Center will need sustainable financial supplementation in order to stay open.

It is said that you don't take a salary. Is this true? How do you support yourself, if you do not receive compensation for the time you spend providing health care services?

I have invested a lot of time and energy working towards sustainable health care on Orcas. There are many providers in the Rural Health Clinic community who volunteer some of their time. It is true that I have worked mostly without a salary. I do receive payments for start-up loans and do get a paycheck when cash flow is healthy.

Would the passage of the public hospital district affect your decision on retirement?

The success or failure of the hospital district is not a factor.

If the hospital district commissioners supported your clinic, would you begin to take compensation for the services you provide?

Yes. The going compensation for an experienced physician is approximately \$200,000 plus benefits and other related costs. Orcas Family Health Center estimates the needed annual financial help in the future to be \$330,000/year.

If the hospital district commissioners supported your clinic, how should the amount of support be determined?

This is a difficult question. My first thought is that it should be based on the number of patient visits. A patient visit is a face-time visit with a doctor or physician assistant. Things like labs or shots do not count as visits.

Do you see a value of there being more than one clinic on island?

Yes and no. The Medical Center building was built by the community for the community; it makes sense that it should be the location serving the entire community. However, the UW and OFHC climates are significantly different. Having options is always beneficial.

Many are concerned about the economic inefficiencies of tax dollars being used to support more than one clinic. Do you have any suggestions on addressing these concerns?

Two clinics do increase the financial costs. It is not practical to put two separate practices in one building. Having two separate businesses under one roof would only save rent payments. The two practices would still have to have separate internal systems and staff due to privacy laws. Also, if OFHC moved to the medical center building, the Rural Health designation would not move with the business, it would have to be reapplied for and may not be re-granted.

Can you share with us the percentage of people you see who are in each group -- Medicare, Medicaid, commercial insurance, and uninsured?

Last FYE 9/17: Medicare 30%, Medicaid 20%, Commercial/other 47%, No insurance 3% before the Affordable Care Act was put in place, our uninsured percentage was about 30% for many years.

The ACA (ObamaCare) has been a huge help. Apple Health has no deductibles. But, the first of each year is financially difficult because the deductibles haven't been met for many insurance plans. For those who have difficulty paying the deductibles, this means delayed payments.

Can you share with us approximately how many visits you see each year?

2015: 5,783; 2016: 6,195 2017: 6,082 These are calendar year face to face office visits between a provider and a patient. The numbers don't include all the ancillary services like blood draws etc.

When you retire what will happen with the clinic? Would you sell it? Would you close? What would happen with the staff? With the equipment and supplies?

Orcas Family Health Center is owned by a board of directors and I am an employee. It isn't mine to sell. The public hospital district makes it possible for OFHC to find another physician or nurse practitioner to continue the practice, as they would be able to provide a proper salary and benefits. Without financial help from donors or the public hospital district, it would be nearly impossible to sustain OFHC or find another physician or nurse practitioner who would be willing to work for a variable income.

What is your policy on after-hours calls?

24/7. The three providers who work at OFHC with the clinic take after-hours calls. The clinic receives about 300 after-hours calls per year maybe 150 of those turn into actual face to face visits; there are more in the tourist season.

I am willing to work with the other island clinic and physicians in order to expand the number of health care professionals on-island who can provide after-hours, on-call services.

What is your policy on those who come to the clinic without the ability to pay their deductible or who do not have insurance?

We have a sliding fee scale where charges are reduced based on income. We take monthly payments that can be set up as auto-pay or not. We have occasionally done a work-trade. We do not use a collection agency. All accounts receivable are done in-house.

Can you share with us the amount of money billed that is not collected each year?

Currently, we have about \$180,000 in uncollected patient accounts, from all time.

Can the clinic remain open without financial support from either donors or the tax payers?

No.

Is there anything that you would like the public to better understand?

We support the public hospital district and encourage our patients to vote for it. We trust that the commissioners will include Orcas Family Health Center in their support. We cannot stay open without financial assistance.

We do not support the idea of the PHD subsidizing the purchase of building improvements and equipment investments. Normally those types of purchases are costs of doing business that a business would take out a loan for and depreciate over time

The EMS uses Dr. Sullivan in Friday Harbor as the consulting doctor. If you visit the EMS, then you are a patient of Dr. Sullivan. He is compensated for this work. This makes the EMS a walk-in clinic but they are limited in what they can do. There are many who are flown off-island who would not need to be if there was a local physician as the consulting doctor.