

February 21, 2019

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Maughan on January 24th at 12noon in the Cypress Room of Island Hospital.

Those present were Commissioners Lynne Lang, PhD; Paul Maughan, PhD; Chip Bogosian, MD; Jan Iversen and Warren Tessler. Also present were Vince Oliver, CEO; Elise Cutter, CFO; Robert Prins, MD, CMO; Carolyn Pape, CHRO; Jason Hogge, MD, Chief of Staff and Kim Graf, Executive Assistant.

Public Comments:

No public comments were made.

Completed Action Items:

The following action items have been completed:

- Provider/Commissioner Engagement Summary sent to Commissioners
- 2019 Draft Organizational Goals revised and sent to Commissioners
- Jones contact information sent to Commissioners

CONSENT AGENDA:

After review and discussion, Commissioner Lang made a motion to approve the Consent Agenda. Commissioner Maughan seconded the motion. Commissioners Iversen, Lang, Bogosian, Tessler, and Maughan all voted aye and the motion carried.

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries: Dr. Hogge reported:

Surgery Department: The DNV survey results for temperature monitoring process within the OR were discussed. Physician Preference Cards were passed out for completion. Gayle Littlejohn is working on improvements with Room In/Out processes for vendors and improving the start time percentage from 17% to 43% at present time.

Dermatome is on trial within the OR and lease options for a Hana table are being reviewed.

The OR is working with Supply and Engineering to explore the option of housing certain OR supplies within the OR.

The DNV non conformities for Pre-op Documentation, Op report and Consent Form were discussed. The Medical Staff Bylaws and Rules and Regulations will be reviewed to ensure they are in agreement with CMS and DNV requirements.

P&T Committee: Adverse drug reaction and medication error reporting within Meditech Expanse were discussed. It was suggested that additional EMR training may be beneficial for clinical staff.

It was reported that the oncologist are in favor of changing two medications to lower expenses.

QA Committee: The medical necessity review audit was reported. The current ADRs and current appeals were discussed. The upcoming audits were presented.

The DNV findings for utilization review were discussed and action plans presented.

Credentials: There was review of the credentials and Rules & Regulations.

Credentials:

After review, Commissioner Maughan made a motion to approve the Credentials as presented. Commissioner Lang seconded the motion. Commissioners Iversen, Lang, Bogosian, Tessler, and Maughan all voted aye and the motion carried.

Rules & Regulations:

After review, Commissioner Maughan made a motion to approve the recommended changes to the Rules & Regulations. Commissioner Iversen seconded the motion. Commissioners Iversen, Lang, Bogosian, Tessler, and Maughan all voted aye and the motion carried.

Board Quality/Management Review:

Anita McCoy reported on the following items and reviewed the recommendations:

- Survey Reports completed in 2018
- Medical Record Delinquency
- Critical processes for inpatient falls and hazardous materials
- Employee health and safety for 2018
- Reviewed the 2018 and proposed 2019 Quality Goals
- Recapped the provider meetings held in January 2019

FINANCE UPDATE:

Commissioner Bogosian remarked on physician/coder collaboration in order to improve documentation for billing purposes.

Commissioner Lang remarked on staff flexing to support flexing patient volumes in the month of January.

Elise Cutter reported on the January 2019 financial statements with the Commissioners and highlighted the following as significant items:

- ◆ Balance Sheet – The hospital collected \$7.5 million in cash in January and paid out \$7.1 million. This resulted in day's cash on hand of 140 (116.8 excluding the remaining bond funds) up slightly from December. The current ratio decreased to 2.73 from 2.82 in December.
- ◆ Net Revenue – Net revenue for January 2019 was \$7.8 million with an actual collection rate of 39.1% which is below the budgeted 40.5% and higher than prior year of 39%. The collection rate was lower due to the additional reserves needed to account for the increase in unbilled charges in January. Volumes were down primarily in the outpatient departments and ED.
- ◆ Operating expenses – Total year to date operating expenses are 2.7% below budget and 2.8% below the prior year. Supplies were over budget 8.2% due to surgical supplies related to an increase in volume compared to budget and laboratory reagents and blood. The total number of FTE's for 2019 is 519 which is under the budget of 558 and 26 less than 2018. The Hospital recorded a net operating loss year to date of \$422,000 versus the budgeted operating loss of \$136,000. The excess loss year to date is \$9,000 or -.1% of net revenue versus budgeted excess gain of \$215,000 or 2.6% of net revenue.

Administration Update:

CMO: Dr. Prins reported on the recent priority pack upgrade for the Expanse System and noted the next update is scheduled for September.

Dr. Prins shared that a committee has been convened to oversee the development and implementation of a Scribe Program for Island Hospital.

Dr. Prins remarked on the Washington State Mental Health System as it relates to hospitals.

CPCE: Denise remarked on ongoing recruitment efforts for the Director of Oncology and Manager, Care Management.

Denise shared a patient experience from the Emergency Room, Surgery Department and Acute Care.

Denise was pleased to announce that Coverys approved an IHF Grant Request for \$25,000 for the Palliative Care Program.

CHRO: Carolyn Pape provided an update on the Employee Engagement Survey Action Plans and the process of cascading the 2019 Quality Goals to employees throughout each department.

CEO: Vince provided an update on the wind down of MIN-NS and noted the last day of MIN-NS operation will be March 30th. Vince shared that contract negotiations continue with Reliance, who will replace MIN-NS. It is anticipated that there will be minimal gaps and the transition smooth.

Vince shared that a signed agreement for a general surgeon has been received. It is anticipated that the surgeon will begin in summer 2019. Vince reported on the ongoing physician recruitment efforts for primary care and internists providers.

Vince remarked on a recent meeting with Jake Johnston, IH lobbyist. Topics discussed were MDH, Rural Health Demonstration Project, 340B, Sole Community Hospital, congressional discretionary spending and an upcoming lobbying trip to Washington, DC.

Commissioner Tessler inquired on a progress with returning urology services to Island Hospital and general surgery coverage during the general surgeon transition. Vince remarked on both topics noting ongoing discussions with Pacific Rim Urology and Bellingham Urology Group as well as identifying locum tenens surgeons beginning in late April through July.

Strategy Committee:

Commissioner Tessler reported on a recent Strategy Committee Meeting which focused on the agenda for the upcoming Leadership Conference in March.

NEW BUSINESS:

Island Hospital Foundation: Jeannette Papadakis shared a recent IHF publication sent to past donors.

Jeannette provided an update on the 2019 Gala of Hope and was pleased to announce that the Foundation recently received an anonymous \$100,000 donation toward the Heartstrings Raise the Paddle for the Emergency Department.

Commissioners Calendar:

The March Board Calendar was approved as presented.

Executive Session:

Commissioner Tessler called for an Executive Session to discuss:

1. The performance of a public employee pursuant to RCW42.30.110 (1) (G). Action to follow.

We expect the session to take thirty (30) minutes in length.

At the end of the Executive Session we do not expect action to be taken. The Board reconvened at 1:40pm.

Action Items:

1. Follow up to Commissioners on January Finance Dashboard questions.

ADJOURNMENT:

There being no further business, Commissioner Tessler called for the meeting to be adjourned at 1:45pm.

Warren Tessler President/Commissioner

Jan Iversen Secretary/Commissioner

Paul Maughan, PhD Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner

