

March 15, 2018

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Maughan on March 15th 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; Denise Jones, RN, CPCE; Carolyn Pape, CHRO; Jason Hogge, MD, Chief of Staff; and Kim Graf, Executive Assistant.

Public Comments:

There were no public comments.

Home Health Update:

Trish Seagle, BSN RN, Executive Director Glacier Peak Healthcare, provided the Commissioners with an update on Islands Home Health. Trish expanded on the mission, core values and post-acquisition accomplishments of Islands Home Health. Trish was pleased to share that Islands Home Health received a Medicare Deficiency-Free Certification Survey and remarked on future projects and growth opportunities.

CONSENT AGENDA:

After review and discussion, Commissioner Lang made a motion to approve the Consent Agenda. Commissioner Iversen 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:

Dr. Hogge remarked on his participation with the Acute Physician Advisory Committee (PAC) for Meditech 6.16 Implementation and positively commented on the new voice dictation software, M*Modal.

Emergency Committee: The Hospital has a new system for ACLS/BLS/PALS which enables providers to maintain current skills on a quarterly basis rather than every two (2) to three (3) years.

Ricky's Law will go into effect on April 1, 2018. This law requires that hospitals meet new requirements when presented with minors or adults who pose danger to themselves or others due to a substance use disorder.

The use of restraints within the ED was discussed.

Infection Control Committee: Community Acquired Infections rates for VDRL, Influenza and TB were discussed.

The 2018 Risk Assessment Plan has been completed.

OB/Peds: L & D will be allowing only one (1) event per day in early May due to the EMR System Rollout. Quality measures which are reported were discussed. These measures impact early elective deliveries and non-medically indicated inductions.

Anesthesia: The management of diabetes pre-operative care was discussed.

Board Quality & Patient Safety:

Anita McCoy, RN reviewed the 2018 CMS Hospital Compare Update Report for Island Hospital. Island Hospital received a 3 Star Rating, which is the average national rate. Anita expanded on the seven (7) areas rated:

- Mortality
- Readmissions
- Safety of Care
- Patient Experience
- Medical Imaging
- Timeliness of Care
- Effectiveness of Care

FINANCE UPDATE:

Commissioner Bogosian remarked on the delay of payments due to insurance payers.

Elise Cutter reported on the February 2018 finances with the Commissioners and highlighted the following as significant items:

- ◆ Patient Volumes – Inpatient admissions for February 2018 were 221 against a budget of 247 and 230 in 2017. The average daily census for February 2018 was 25 patients compared to 26 budgeted and 26 for 2017. Emergency Room visits year to date 2018 were 6.6% more than budgeted and 6.5% more than 2017. The total number of outpatient visits year to date is 7.4% less than budget and .1% more than in 2017, physician clinic visits were 12.7% below budget and 15% more than in 2017. Year to date rural health clinic visits were 9.8% below budget and 3.4% less than in 2017.
- ◆ Balance Sheet – The hospital collected \$8 million in cash and drew down \$2,000,000 on the line of credit and paid out \$8.9 million which resulted in day's cash on hand of 112.3 up from 107.8 at the end of January. The days in Accounts Receivable at the end of February was 38.2 down from 40.6 in January, and below the target of 40 days. The current ratio decreased to 1.68 from 1.74 in January.
- ◆ Net Revenue – Net revenue for February 2018 was \$6.9 million with an actual collection rate of 38.8% which was lower than the budgeted 40.2% and less than prior year of 40.7% due to the higher percentage of outpatient services, increased bad debt and slow collections. We had 34 deliveries in February 2018 compared to 28 in 2017. Year to date Bad Debt is \$111,000 above budget for 2018 and year to date Financial Assistance is \$18,000 above 2017.
- ◆ Operating expenses – Total year to date operating expenses are .4% below budget and 4.3% more than the prior year. Categories of significant overage are drug costs and supplies related to surgery. The total number of FTE's for 2018 is 551 which is under the budget of 565 and 22 less than 2018. The Hospital recorded a net operating loss year to date of \$968,000 versus the budgeted operating loss of \$134,000. The excess income year to date is \$86,000 or .6% of net revenue versus budgeted excess gain of \$506,000 or 3.1% of net revenue.

Administration Update:

CMO: Dr. Prins reported on the Antimicrobial Stewardship Program with John Hopkins and remarked that the program is progressing and showing positive outcomes. Dr. Prins noted that Press Ganey Scores for both inpatient and outpatient will be released in the near future.

CHRO: Carolyn Pape reviewed the EMR Rollout Messaging PowerPoint which was presented to the Leadership Team.

- In preparation for the EMR Rollout, Island Hospital seeks to build a common vocabulary and develop uniformity and shared accountability among hospital leadership and staff with regards to messaging.
- Who shares in the messaging:
 - All Hospital Staff
 - Medical Staff
 - Board of Commissioners
 - Volunteers
- How does the new system benefit patients?
 - Increased accuracy and efficiency
 - Single comprehensive medical record
 - Maximizes patient safety and quality of care
 - Added security measures
- Island Hospital staff communication through each step of the EMR rollout will directly influence how our patients feel about their care experience. Effective communication is critical during the first few weeks to ensure the best possible experience for our patients.

Kim Graf will provide the Commissioners with a small, laminated card noting the abbreviated reasons why patients will benefit from the EMR.

CPCE: Denise reported that the Annual Skills Fair has been completed and commented that the fair was informative and well attended.

Denise shared a recent patient story which provided opportunities for improvement and ultimately had positive outcomes despite the challenges the patient experienced.

CEO:

Vince remarked on physician recruitment efforts for a Family Practitioner, Internist and OB/GYN.

Vince provided an update on continued urology discussions with several organizations and recruitment efforts for a urologist. Vince shared that interim coverage for the ED is being provided by UW Medicine via phone. This interim coverage will continue for the next several months.

Vince remarked ongoing discussions with TeamHealth to operate the Hospitalist Program at Island Hospital and noted that Team Health begins to manage that Walk-In-Clinic on April 1st.

Vince shared that Island Hospital is in daily communication with North Puget Oncology to discuss locum coverage while the search for permanent oncologist continues.

Strategic Update:

Commissioner Bogosian shared that the next Strategy Committee meeting with ECG will be held on April 26th. During this meeting the committee will review Island Hospital core services and begin discussion of the 2018 Island Hospital Leadership Retreat.

NEW BUSINESS:

Island Hospital Foundation:

Jeannette Papadakis reported on the Gala of Hope, remarked on an upcoming appeal letter in honor of Doctors Day, provided an update on the Donor Wall Project and the Palliative Care Grant for IH nurses.

Meditech Active Directory Conversion:

Tom Bluhm, Director IS, discussed the reasons for the upcoming Meditech to Active Directory Credential Conversion and reviewed the conversion process to the Commissioners. Passwords are a key part of IT's strategy to make sure only authorized personnel can access these resources and data. All employees and third parties who have access to any of these resources are responsible for protecting their login information from unauthorized individuals by choosing passwords. The purpose of the password policy is to make sure all Island Hospital resources and data receive adequate password protection.

Administration will transition to the more secure password method at the April 12th Working Board Meeting. Commissioners are asked to bring their mobile devices to this meeting for set up.

Commissioners Calendar:

The April Board Calendar was approved as presented.

Follow Up Items:

- Kim to provide Commissioners EMR Messaging cards

ADJOURNMENT:

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

Paul Maughan, PhD, President/Commissioner

Warren Tessler Secretary/Commissioner

Jan Iversen, Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner