

August 16, 2018

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Maughan on August 16th at 12 noon in the Cypress Room of Island Hospital.

Those present were Commissioners Chip Bogosian, MD; Paul Maughan, PhD; Lynne Lang, PhD Warren Tessler and Jan Iversen. Also present were Vince Oliver, CEO; Elise Cutter, CFO; Bob Prins, MD, Chief Medical Officer; Denise Jones, RN CPCE; Carolyn Pape, CHRO; Kim Graf, Executive Assistant and Briana Alzola, Anacortes American.

Not present: Jason Hogge, MD, Chief of Staff

Public Comments:

There were no public comments.

Action Items Completed:

- Q1 and Q2 Organizational Quality Goal results sent to Commissioners.
- Notified attendees that the Annual Leadership Conference has been extended to include a two (2) hour Friday session.

CONSENT AGENDA:

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

BOARD QUALITY & PATIENT SAFETY REPORT

Board Quality/Management Review:

Commissioners Iversen and Bogosian remarked on the informative discussion held during the Quality Board & Management Review Meetings. It was suggested that Gary Preston attend a Working Board Meeting annually to update Commissioners on infection control.

Anita reviewed and discussed the Q1 and Q2 2018 Organizational Goal to increase overall patient satisfaction by 15% from the 2017 percentages. The data reviewed was for clinical and support areas:

ICU/Acute Care
Birth Center
Ambulatory Surgery
Emergency Department
Anacortes Family Medicine
Fidalgo Medical Associates
Island Surgeons
Sleep Wellness Center

The Q1 and Q2 2018 Organizational Goal to decrease hospital acquired infections by 20% with a focus on catheter associated urinary tract infections (CAUTI), surgical site infections (SSI) and C. diff infections (CDI) were reviewed and recommendations discussed.

Medical Staff Meeting Summaries: Dr. Prins reported:

Surgery Committee-There was discussion of surgical case volumes, delayed minutes and post orders. Delays will continue to be documented and Meditech Expense System education will be provided as needed.

Ethics Committee-The implementation of an Island Hospital Palliative Care Program was discussed. It is anticipated that the program will begin in Fall 2018. The committee reviewed and discussed a case recently published in the New Yorker: "What Does It Mean to Die".

QA Committee- There has been an increase in insurance and audit requests to be processed. Care Management will be part of the new hospitalist on-boarding program in order to review Quality/UR processes. Avoidable LOS was discussed. It was decided that training for attending providers will be conducted in an attempt to decrease avoidable days and administrative consequences from these situations.

Credentials:

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

It was decided that the Commissioners will write a letter of appreciation to Dr. Monaghan for his service with the Oncology Department.

FINANCE UPDATE:

Elise Cutter reported on the July 2018 financial statements with the Committee and highlighted the following as significant items:

- ◆ *Balance Sheet* – The hospital collected \$6.6 million in cash in July and paid out \$7.3 million which resulted in day's cash on hand of 162.7(104.3 excluding the bond funds) down from 164 at the end of June. The current ratio increased to 1.54 from 1.5 in June.
- ◆ *Net Revenue* – Net revenue for July 2018 was \$7.5 million with an actual collection rate of 39.9% which was lower than the budgeted 40.1% and lower than prior year of 42.5%. Inpatient volumes were down significantly along with lower clinic volumes. The two combined created a large variance to budget.
- ◆ *Operating expenses* – Total year to date operating expenses are 2.9% below budget and .4% less than the prior year. Categories of significant overage are professional and physician fees and purchased services. The total number of FTE's for 2018 is 555 which is under the budget of 565 and 19 less than 2017. The Hospital recorded a net operating loss year to date of \$3,461,000 versus the budgeted operating loss of \$160,000. The excess loss year to date is \$605,000 or -1.2% of net revenue versus budgeted excess gain of \$2,074,000 or 3.6% of net revenue.

Strategic Update:

Commissioner Bogosian remarked on recent discussions with ECG to review strategic planning recommendations and noted that a draft agenda for the Leadership Conference is being developed and will be shared with the Commissioners when it is received.

Administration Update:

CMO: Dr. Prins reported on the transition of TeamHealth's management of the Hospitalist Program at Island Hospital, remarked on TeamHealth recruitment efforts for full time providers for the Island Hospital program and noted that the transition is going smoothly.

Dr. Prins commented on ongoing dialogs regarding an Antimicrobial Stewardship Program at Island Hospital.

CHRO: Carolyn Pape remarked on the upcoming Employee Engagement Survey that will be conducted by Press Ganey in September for all Island Hospital staff and noted the importance of this survey to workforce engagement.

Carolyn commented on the US Supreme Court Janus v. AFSCME decision and the impacts this decision has on Island Hospital union staff and the Hospital.

Carolyn shared a recent article written regarding the forecasted nationwide shortage of physicians and remarked on Island Hospital recruitment strategies for providers. Commissioner Iversen remarked on the Richard Iversen Memorial Scholarship Program which provides funding to Island Hospital employees to pursue a degree or certificate in expand the healthcare workforce within our community.

CPCE: Denise Jones provided an update on the Oncology Department sharing that two (2) new providers are seeing patients within the clinic, new patients are being accepted and that it is anticipated that the clinic will re-open to five (5) days a week as early as September.

Denise shared a recent patient experience story with the Commissioners.

CEO: Vince provided an update on recruitment efforts for primary care, internist, OB/GYN, wound care, urology and neurologist providers. Vince noted that Island Hospital has interviewed the prospective TeamHealth full time Hospitalist candidates.

Vince commented on ongoing renovations for the new OB/GYN spaces, the MRI and the Walk-In-Clinic.

Vince remarked on governmental relations noting HealthNet's acceptance of the termination of the ERSA Agreement and that to date Island Hospital has not heard any response from Senator Cantwell's office regarding their involvement with MDA reimbursement and cost reports for CMS.

Vince was pleased to share that the lab outreach program is expanding quickly and noted that Catamaran will attend the September Working Board Meeting to provide an update to the Commissioners.

NEW BUSINESS:

Island Hospital Foundation: Jeannette Papadakis provided the Commissioners with updates on the Island Hospital Foundation Impact Report, the Legacy Society Luncheon and Foundation Board Retreat scheduled for September and remarked on the success of the Island Hospital Golf Classic, due to the spectacular organizational skills of Kim Graf.

Commissioners Calendar:

The Board approved the September Board Calendar as presented.

Action Items to be completed:

- Commissioners to send Dr. Monaghan letter of appreciation
- Schedule Gary Preston, PhD to attend a Working Board Meeting

ADJOURNMENT:

There being no further business, Commissioner Maughan called for the meeting to be adjourned at 1:30pm.

Paul Maughan, PhD, President/Commissioner

Warren Tessler Secretary/Commissioner

Jan Iversen, Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner