

October 18, 2018

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Maughan on October 18th 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; Jason Hogge, MD, Chief of Staff; Carolyn Pape, CHRO and Liz Martin, Executive Secretary.

Not present: Denise Jones, RN CPCE

Public Comments:

There were no public comments.

Miscellaneous:

Vince Oliver introduced Dr. Brian Minow, Island Hospital's new Wound Care Specialist. Dr. Minow expanded on his education and professional experience with the Commissioners. All welcomed Dr. Minow to the Island Hospital Medical Staff.

CONSENT AGENDA:

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

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries: Dr. Hogge reported:

Surgery Committee: There was discussion of the increase in surgical cases in the month of August and delays with Endo procedures. There will be a review of the Endo delays to identify and correct issues.

A committee has been formed to review the processes of transporting clean/dirty items within the Surgery Department.

Emergency Department Committee: The processes for patients in custody of the police who are treated in the Emergency Department were discussed.

QA Committee: Orthopedic avoidable days are being discussed with Skagit Northwest Orthopedics as well as identifying barriers of transferring patients to SNFs.

The UR and Care Management orientation with new hospitalists has been advantageous for hospitalist as well as IH staff.

The daily multi-disciplinary rounding program is going well. Through rounding there has been improved communication and clarification among patient healthcare teams and family communication related to goals of care.

CREDENTIALS:

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

Board Quality/Management Review:

Anita McCoy reported that the following topics and follow up actions were discussed:

Blood Use at Island Hospital
Blood Transfusion Reactions
Discrepant Pathology Reports (January-August 2018)

Physical Environment Management Systems: A team has met to develop and discuss conducting a Security Vulnerability Assess. The assessment will be completed in 2018 and the plan implemented in 2019. The assessment will include:

Life Safety
Safety Management
Security Management
Hazardous Materials Management
Emergency Management
Medical Equipment Management
Utilities Management

Medical Record Delinquency: There was discussion of incomplete records with discharged patients. Island Hospital will continue to track all incomplete records in order to reduce unbilled day and improve cash flow.

Effectiveness of Pain Management System: Island Hospital will continue to conduct internal audits on documentation of pain management and share finding with managers and staff.

Anita McCoy shared a patient experience story from the Surgery Department. The Board requested that a letter of appreciation be sent to Andrea Kuntze, RN.

FINANCE UPDATE:

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

- ◆ *Balance Sheet* – The hospital collected \$8.1 million in cash in September and paid out \$9.2 million. This resulted in day's cash on hand of 133.8(104.7 excluding the remaining bond funds) equal to August. The current ratio increased to 2.55 from 2.42 in August.
- ◆ *Net Revenue* – Net revenue for September 2018 was \$7.5 million with an actual collection rate of 40.2% which equal to the budgeted 40.2% and lower than prior year of 41.2%. Inpatient volumes were down significantly for the month with ADC of 21.3 compared to a budgeted 26.8.

- ◆ Operating expenses – Total year to date operating expenses are 3.3% below budget and equal to 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 21 less than 2017. The Hospital recorded a net operating loss year to date of \$4,117,000 versus the budgeted operating loss of \$33,000. The excess income year to date is \$1,827,000 or 2.7% of net revenue versus budgeted excess gain of \$2,862,000 or 3.9% of net revenue. The swing in excess margin is due to \$2,355,800 of debt forgiveness from the New Market Tax Credit loans.

2017 Audited Financials:

Elise reviewed the 2017 Audited Financial Report prepared by WipFli.

After review, Commissioner Tessler made a motion to approve the 2017 Audited Financials as presented. Commissioner Bogosian seconded the motion. Commissioners Maughan, Tessler, Lang, Bogosian and Iversen all voted aye and the motion carried.

Strategic Update:

In preparation for the Leadership Conference, Commissioner Maughan discussed Commissioner engagement with the Medical Staff regarding patient access and patient referrals.

Dr. Hogge proposed that the Commissioners attend the next Medical Staff on November 7th to discuss the purpose of the upcoming one on one meetings with Commissioners and Medical Staff.

It was agreed that this project should be complete by the end of the year.

Administration Update:

CMO: Dr. Prins commented on current and past service lines at Island Hospital expanding on the search for neurology and urology services at Island Hospital.

CHRO: Carolyn Pape commented on the upcoming benefit open enrollment period, provided a recruitment and Press Ganey Employee Engagement Survey update. Carolyn shared that at the November 1st Working Board Meeting the Press Ganey engagement advisor will provide an overview of the results to the Board.

Carolyn shared a letter from a CNA that recently left due to relocation.

CEO: Vince Oliver reviewed physician recruitment efforts for general surgeons and a psychiatrist and remarked on the addition of three (3) ARNPs to the primary care clinics.

Vince recapped recent discussions with MIN-NS regarding their subscription needs.

Vince remarked on the Island Hospital and Skagit Valley Hospital oncology consultation project and noted that he anticipates a status update will be available in November.

Vince commented on upcoming meetings scheduled with the Commissioners to discuss projects within the primary care clinics.

NEW BUSINESS:

Commissioners Calendar:

The Board approved the November Board Calendar as presented.

Action Items to be completed:

- Send Appreciation Letter to Andrea Kuntze, RN
- Prepare for upcoming Commissioner presentation at November Medical Staff Meeting and one on one Commissioner meetings with Medical Staff.

ADJOURNMENT:

There being no further business, Commissioner Maughan called for the meeting to be adjourned at 1:49m.

Paul Maughan, PhD, President/Commissioner

Warren Tessler Secretary/Commissioner

Jan Iversen, Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner