

May 27, 2020

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Tessler on May 27th at 12noon in the Cypress Room of Island Hospital.

Those present were Commissioners Warren Tessler; Paul Maughan, PhD; Chip Bogosian, MD and Jan Iversen. Also present were Charles Hall, CEO; Elise Cutter, COO/CFO; Robert Prins, MD CMO; Denise Jones, RN CPCE; Carolyn Pape, CHRO; Ann Raish, Interim COO; Robert Rieger, MD, COS and Kim Graf, Executive Assistant.

Via WebEx: Commissioner Lang, PhD; Briana Alzola, Anacortes American

Action Items Completed:

- Commissioner Tessler audit inquiry

**Public Comments:**

No public comments were made.

**CONSENT AGENDA:**

After review and discussion, Commissioner Bogosian made a motion to approve the Consent Agenda with the noted correction to the Special Board Meeting Minutes regarding a typing error. Commissioner Maughan seconded the motion. Commissioners Bogosian, Iversen, Lang, Tessler and Maughan all voted aye and the motion carried.

**BOARD QUALITY & PATIENT SAFETY REPORT**

**Medical Staff Meeting Summaries:** Dr. Rieger provided updates on the following Medical Staff Committees:

- Emergency Department
- Surgery Department
- QA Committee
- Credentials Committee

**Credentials**

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

**Financial Update:**

Elise Cutter reported on the April 2020 financial statements with the Commissioners and highlighted the following as significant items:

- ◆ *Balance Sheet* – The hospital collected \$9.1 million in cash in April (of which 5.1 million was in grant funds from HHS) and paid out \$7.7 million. This resulted in day's cash on hand of 168.8 (139.3 excluding the remaining bond funds) up from April 147.3. The current ratio decreased to 2.76 from 3.13 in March.
- ◆ *Net Revenue* – Net revenue for April 2020 was \$4.7 million with an actual collection rate of 43.8% which is above the budgeted 41.1% due to a DSH Settlement for 2014 of \$360,015. Hospital net revenue fell below budget 40.8% and Primary Care and Specialty Clinics net revenue fell below budget 61.6%. The Hospital did not meet its financial pillar goal of an operating margin of net revenue to meet or exceed 1%, with an actual operating margin of -29.7% due to the impacts of decreased volume from the COVID pandemic.
- ◆ *Operating expenses* – Total operating expenses for April are 29.6% below budget and 21.6% below the prior year. Wages and Salaries 30.9% below budget and 19.6% under prior year. Supplies are 62.4% below budget and under prior year by 58.7%. Professional and physician fees are 16.1% below budget and 13.4% below prior year. Purchased services are 18.2% below budget and 15.8% above prior year. Drug expense is 20.6% below budget and 8.9% under prior year. The total number of FTE's for 2020 is 512 which is under the budget of 579 and 19 less than 2019. The Hospital recorded a net operating loss for April of \$1,076,000 versus the budgeted operating income of \$694,000. The excess gain for April is \$421,000 or 1.4% of net revenue versus budgeted excess gain of \$2,217,000 or 6.4% of net revenue.

### **Administration Update:**

#### **CEO:**

Charles shared that urology services will return to Island Hospital in June. Dr. Mansel Kevwitch will join the Island Hospital Medical Staff and begin to see patients in the Island Urology Clinic June 22, 2020.

Charles briefly remarked on the expansion of GI services.

Charles thanked the Skagit Valley Herald and the Anacortes American for running weekly articles during the Pandemic and provided an update on the ongoing COVID 19 Pandemic within our region and highlighted the following:

- Regional Metrics
- Island Hospital Current State Metric Dashboard
  - Positive Cases
  - Laboratory Testing
- Recovery Plan

## **Human Resources Update:**

Carolyn Pape provided updates on the following:

- Discussed the importance of continued support and ongoing communication with staff as they navigate the current time. Carolyn shared resources that are available should staff seek professional guidance: Employee Assistance Program (EAP), CDC Website articles & resources and the Island Hospital Psychiatry & Behavioral Health Department.
- Reported that Island Hospital continues to work with Employment Security Department (ESD) daily regarding employee unemployment benefits and remarked on the recent unemployment fraud that has recently begun.
- Shared that Island Hospital will be participating in the ESD Shared Work Program.
- Remarked on New Employee Orientation and onboarding modifications during this time and noted that virtual NEO will soon be launched.
- Carolyn highlighted on several upcoming Employee Wellness Programs:
  - Farmstand (June 9<sup>th</sup>-September 8<sup>th</sup>)
  - Food-of-the-Month
  - New Mindfulness Meditation Sessions
  - Hiking Series

## **Ramp Up:**

Ann Raish reported on the Reactivation of Services Plan for Island Hospital. This step by step plan outlines the percentage of increased service volume anticipated through July. Ann remarked on the actions that Island Hospital will take to mitigate concerns by patients who are returning for services:

- Communicate the safety precautions
- Separate the COVID -19 related services from other services
- Screening and testing protocols
- Adopt universal masking for all patients and staff
- Continuously sanitize public spaces in plain sight
- Physical Distancing precautions
- Controlled and alternate access points and expanded use of the Island Hospital Patient Portal

Ann shared that the EOC has moved to meeting once a week and noted that documentation of response protocols are being compiled to utilize in the future should a spike occur.

## **New Business:**

**IHF:** Jeannette Papadakis remarked on the year to date donations that the Island Hospital Foundation has received. To date the Island Hospital Foundation has received close to \$1.4 million in donations and reviewed the various funds that the donations are allocated to.

Jeannette commented on the most recent Community Executive Brief, a recent IHF Board Orientation, the ongoing IHF Audit and updating of the Donor Wall located in the main lobby of Island Hospital.

**June Board Calendar:**

The June Board Calendar was approved with the correction that the Finance Committee will begin at 10am rather than 8am.

**Executive Session:**

Commissioner Tessler announced that we will be holding an Executive Session to discuss:

1. To review the activities of the Quality Improvement Committee pursuant to RCW 70.44.062 (2).
2. Discuss litigation with legal counsel representing the District pursuant to RCW 42.30.110 (1)(i).

We expect the session to take thirty (30) minutes in length. At the end of the Executive Session NO action will be taken and therefore we will reconvene.

The Board reconvened at 3:15pm.

**Action Items:**

- Follow Up with Commissioner Tessler OPEBB
- Commissioner Thank You Letter to donor

**ADJOURNMENT:**

There being no further business, Commissioner Tessler called for the meeting to be adjourned at 3:17 pm.

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Warren Tessler President/Commissioner

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Jan Iversen Secretary/Commissioner

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Paul Maughan, PhD Commissioner

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Chip Bogosian, MD., Commissioner

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Lynne Lang, PhD, Commissioner