

June 22, 2022

The Regular Board Meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Iversen at 12:00 noon on June 22nd in the Cypress Room of Island Hospital.

Due to the ongoing COVID 19 Pandemic a WebEx option was available for the Regular Board Meeting.

Those present were Commissioners Warren Tessler; Jan Iversen, Lynne Lang, PhD (WebEx), Paul Maughan, PhD and Chip Bogosian, MD. Also present were Elise Cutter, CEO; Julie Norton Stewart, CFO; Vicki White, MSN Interim CCO Briana Alzola, Anacortes American (WebEx) and Kim Graf, Executive Business Partner.

Not present: Rob Carter, DO COS, Jason Hogge, MD CMO

Public Comment:

No Public Comments were made

Action Items Completed:

None reported

CONSENT AGENDA:

After review and discussion, Commissioner Lang made a motion to approve the Consent Agenda. 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: Due to the surgery schedule Dr. Carter was not able to be present therefore Elise Cutter provided the Medical Staff update.

Elise Cutter provided brief updates on the following Medical Staff Committees:

- Department of Medicine: Welcome to new members Vicki White, MSN Interim CCO and Lauren Gansemer, Laboratory Manager. There was discussion of updating Critical Lab Values Policy and education on Transfer Orders.
- Emergency Department Committee: Welcome to new members Vicki White, MSN Interim CCO and Tami Morford, Interim Pharmacy Director. There was review and discussion of the ED Quality Dashboard, update on UW TeleStroke transition and notification of the upcoming Meditech update to be completed on June 9, 2022.
- QA Committee: Welcome new committee member Dr. Stephen Horras. There was review and discussion of audits for screening mammograms, cataracts and deficiencies

Credentials:

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

Financial Update:

Julie Stewart remarked on the May 2022 Financial dashboard.

- ◆ Balance Sheet – The hospital collected \$9.6 million in cash in May and paid out \$9.8 million. This resulted in day's cash on hand of 177 (151 in operating cash funds) down from April of 179. The current ratio remained at 2.4. Repayment of the Medicare Advance Funding in May was \$560,000.
- ◆ Net Revenue – Net revenue for May 2022 was \$9.3 million with an actual collection rate of 38.9%, which is below the budgeted 39.5%. Outpatient gross revenue as a percentage of total revenues remained at 81%. Hospital net revenue was below budget 1.3% as 84% of inpatient volumes were from government payors and Primary Care and Specialty Clinics net revenue was below budget by 2%. For the month of May 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 -13.3%.
- ◆ Operating expenses – Total operating expenses for 2022 are 4.5% above budget and 14% above 2021. Wages, Salaries and benefits were 1.7% above budget. Supplies are 12.3% below budget. Professional and physician fees are 15% above budget. Purchased services are 36% above budget. Drug expense is 10.4% below budget. The total number of FTE's for 2022 is 534, which is under the budget of 594. The Hospital recorded net operating loss for 2022 of \$4,321,000 versus the budgeted operating loss of \$34. The excess margin for 2022 is \$-2,201,000 or -5% of net revenue versus budgeted excess margin of \$1,880,000 or 4% of net revenue.

Commissioner Maughan remarked on the financial loss presented on the Income Statement. Julie Stewart and Vicki White remarked on the dialogues and efforts currently underway to find ways to generate revenue and contain expenses through staffing changes. Both are optimistic that through flex staffing Island Health will see significant positive results in the financial statements.

Commissioner Lang inquired if there has been a zip code analysis performed recently on L & D patients. Elise shared that a zip code analysis can be conducted and shared.

Administration Update:

Elise recognized the new Island Hospital employees who have on boarded in June and Remarked on recruitment incentives, review of position control process, student precepting open for all specialties and internal training for RN, MA and DI and review of contracted labor agreements.

Elise provided an update on the ongoing provider recruitment efforts highlighting the following: **Executed agreements** for Orcas Pediatrician, Part-Time General Surgeon, Interventional Pain, Family Medicine 24th.

LOI extended to Internist/Pediatrician Orcas, Family Medicine w/OB M Ave and Family Medicine w/out OB 24th St

Upcoming site visits for family medicine providers for M Ave, 24th Street Clinics and Wound Care.

Elise provided an update on the Helipad Project noting the completion of the Hover Test and submission of HRSA Grant, work is being completed to finalize project plan, timelines and budget. A full presentation of the project and Board Approval will be conducted at a Special Board Meeting on July 14th.

Elise provided a brief update on State and County COVID Metrics.

Vicki White, MSN shared an Island Surgeons patient experience story from the ED and the partnership with the Anacortes Community Paramedic.

New Business:

IHF: Janie Crane, Foundation Director, provided an update on recent donor appreciation event, introduced Jess Watchie, Annual Gifts Coordinator and remarked on the Island Health Foundation newsletters that Jess has recently distributed.

Janie remarked on fundraising trends in the industry noting corporate/business donations are shifting towards individuals and the increased need to cultivate relationships with individuals within corporations/businesses. Janie shared that Island Health Foundation will move forward with Philanthropic Pathways approach to engage corporations/businesses support. With this approach organizations are able to choose to partner with event based support or partnership based support through being recognized as a Community Care Partner. Janie reviewed the recognition opportunities with Community Care Partner support.

Community Relations & Marketing: Laura Moroney shared some of the ongoing partnership marketing campaign efforts with Island Surgeons, Walk In Clinic ad series, Island Urology marketing campaign which focuses convenience and access and Diagnostic Imaging marketing campaign which focuses on convenience and choice.

Laura provided an update on upcoming community events: Kids R Best Festival , Anacortes Pirate Run (Arts Festival), Anacortes Ready to Learn Fair and Anacortes Open Streets.

July Board Calendar: July Board Calendar was approved as presented.

Executive Session:

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

1. A review of the report of a quality improvement committee (QIC). RCW 42.30.140 (4)(b).

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 not reconvene.

Action Item:

- Zip Code Analysis on patient origin for L & D Patients
- Community Paramedic patient metrics

ADJOURNMENT:

There being no further business, Commissioner Iversen called for the meeting to be adjourned at 1:50pm.

Jan Iversen President/Commissioner

Chip Bogosian, MD Secretary/Commissioner

Paul Maughan, PhD Commissioner

Warren Tessler Commissioner

Lynne Lang, PhD, Commissioner