

November 16, 2022

The Regular Board Meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Bogosian at 12:00 noon on November 16th 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 Lynne Lang, PhD, Warren Tessler, Paul Maughan, PhD and Chip Bogosian, MD. Also present were Elise Cutter, CEO, Julie Norton Stewart, CFO, Jason Hogge, MD, CMO, Vicki White, MSN Interim CCO, Briana Alzola, Anacortes American (WebEx), and Deanna Marshall, Executive Assistant.

Not present: Rob Carter, DO COS and Jan Iversen

Public Comment:

No Public Comments were made

Action Items Completed:

CONSENT AGENDA:

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

Board Quality and Patient Safety

Medical Staff Meeting Summaries:

Dr. Hogge gave a brief update in regards to the Credentials, P&T, Department of Surgery, and the Department of Medicine Committees.

Credentials:

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

Quality Management Oversight Meeting:

Anita presented a brief synopsis of the quality management oversight meeting in November. Her presentation contained: recalls and the impact on the supply chain; pathology and cytology opportunities and current projects; DNV progress report; patient flow improvements such as the “fast track” in the ED; sepsis; and stroke measures.

Financial Update:

Financial Statement Review: Julie Stewart reported on the October 2022 financial statements with the Committee and highlighted the following as significant items:

- Balance Sheet – The hospital collected \$8.4 million in cash in October and paid out \$11.1 million.
- Net Revenue – Net revenue for October 2022 was \$8.9 million. Outpatient gross revenue as a percentage of total revenues remained at 81%. Hospital net revenue was below budget 7.5%. Primary Care and Specialty Clinics net revenue was above budget by 0.3%. For the month of October 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 -11.6%.
- Operating expenses – Total operating expenses for 2022 are 5.9% above budget and 13.1% above 2021. Wages, Salaries and benefits were 1.5% below budget. Supplies are 12.2% below budget. Professional and physician fees are 23% above budget. Purchased services are 87.4% above budget. Drug expense is 6.8% below budget. The total number of FTE's for 2022 is 524, which is under the budget of 606. The excess margin for 2022 -4.9% of net revenue versus budgeted excess margin of 3.9% of net revenue.

Resolution 2022-2146: Per a request from the County Treasurer, the 2023 Budget Resolution 2022-2146 & 2023 Budget/Levy Request forms were updated to break out the administrative refund amounts for regular and excess levies. Updates were reviewed with the committee and will be signed at the next board meeting.

Resolution 2022-2146: After review, Commissioner Maughan made a motion to approve the updated Resolution 2146 and Commissioner Tessler seconded the motion. Commissioners Bogosian, Tessler, Lang, and Maughan all voted aye and the motion carried.

Administration Update:

Vicki White, MSN RN shared an emotional patient story that demonstrated the compassion and love Island has for the community.

Operational Update:

Elise Cutter, CEO gave a general update on the hospital and mentioned that she had completed 15 Hospital Update and Listening sessions in November. She stated that over 220 staff attended and that the sessions were well received by staff. Elise stated that she will hold these meeting quarterly. Elise also presented the Community Health Needs Assessment draft to the board.

New Business:

Island Hospital Foundation: Janie Crane provided an update on donations collected within the year of 2022 saying that Island will likely crest \$3 Million. Jane mentioned about a donor retention analysis and opportunities for 2023.

Community Relations & Marketing: Laura Moroney reported on 2022 patient email newsletter analysis, mammogram campaign results, and social media benchmarks.

December Board Calendar: December Board Calendar was presented.

Action Item:

No action items.

ADJOURNMENT:

There being no further business, Commissioner Iversen called for the meeting to be adjourned at 1:36pm.

Jan Iversen President/Commissioner

Chip Bogosian, MD Secretary/Commissioner

Paul Maughan, PhD Commissioner

Warren Tessler Commissioner

Lynne Lang, PhD, Commissioner