

May 25, 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 May 25th 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, Paul Maughan, PhD and Chip Bogosian, MD. Also present were Elise Cutter, CEO; Jason Hogge, MD CMO, Julie Norton Stewart, CFO; Vicki White, MSN Interim CCO and Kim Graf, Executive Business Partner.

Not present: Rob Carter, DO COS

Public Comment:

No Public Comments were made

Action Items Completed:

The following ACTION Items have been completed:

- Letter of Recognition to Dr. Justin Curran
- Hospital Week activities shared with the Commissioners

Introduction:

Elise was pleased to introduced Vicki White, MSN Interim Chief Clinical Officer. Vicki expanded on her personal and professional background. All welcomed both to the Island Hospital Senior Leadership Team.

CONSENT AGENDA:

After review and discussion, Commissioner Bogosian made a motion to approve the Consent Agenda. Commissioner Lang 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. Hogge provided brief updates on the following Medical Staff Committees:

- OB/Peds: There was discussion of the arrival of new OB beds for the unit, review of L & D policy changes and education session for hand hygiene and antimicrobial stewardship

- Anesthesia: There was an educational session for hand hygiene and discussion with medication orders, epidural carts and antimicrobial stewardship.
- QA Committee: There was review of the ongoing audits for cataracts and screening mammograms, deficiencies with overdue charting and education on hand hygiene and antimicrobial stewardship.

Credentials:

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

Financial Update:

Julie Stewart remarked on the April 2022 Financial dashboard.

- ◆ *Balance Sheet* – The hospital collected \$8.7 million in cash in April and paid out \$9.9 million. This resulted in day's cash on hand of 154 (125 in operating cash funds) down from March of 161. The current ratio remained stable from March at 2.4. Repayment of the Medicare Advance Funding in April was \$590,000.
- ◆ *Net Revenue* – Net revenue for April 2022 was \$8.7 million with an actual collection rate of 39.5%, which is on par with the budgeted 39.5%. Outpatient gross revenue as a percentage of total revenues decreased to 81% down from 83% in March. Hospital net revenue was below budget 5.4% and Primary Care and Specialty Clinics net revenue was below budget by 6.8%. For the month of April 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 April were 7.2% unfavorable to budget and 15.1% unfavorable to 2021. Purchased Services is 42.1% unfavorable to budget and Professional and Physician Fees are 19.5% unfavorable to budget. Total Operating expenses for 2022 are 3.8% unfavorable to budget and 13.6% unfavorable to 2021. Wages, Salaries and benefits were 1.2% unfavorable to budget. Supplies are 15.6% favorable to budget. Professional and physician fees are 15% unfavorable to budget. Purchased services are 29.8% unfavorable to budget. Drug expense is 11.3% favorable to budget. The total number of FTE's for 2022 is 534, which is favorable to the budget of 594. The Hospital recorded net operating loss for 2022 of \$3,400,000 versus the budgeted operating loss of \$20,000. The excess margin for 2022 is \$-1,680,000 or -4.8% of net revenue versus budgeted excess margin of \$1,152,000 or 4.2% of net revenue.

Administration Update:

Elise recognized the new Island Hospital employees for May remarking that recruitment efforts are moving forward.

Dr. Hogge provided an update on the ongoing provider recruitment efforts highlighting the following: Executed agreements for Orcas Pediatrician, Part-Time General Surgeon, LOI extended to Internist/Pediatrician Orcas, Offer Extended to ARNP 24th Street and remarked on site visits for family medicine providers for M Ave and 24th Street Clinics.

Elise provided an update on the strategic objectives to improve the security and flow of the emergency services remarking that the hover test for the relocation for the helipad was successfully completed, HRSA Federal Grant will be submitted on or before June 6th, ongoing efforts to develop project plan, timeline and budget as well as begin the design phase for this project.

Elise provided a brief update on State and County COVID Metrics. Dr. Hogge remarked on COVID boosters available at Island Health primary care clinics.

Dr. Hogge shared an Island Surgeons patient experience story.

New Business:

IHF: Janie Crane, Foundation Director, provided an update on the ongoing fundraising efforts for the Foundation remarking that to date over \$700,000 has been raised this year. In order to align with Island Health, Janie shared that Island Hospital Foundation will change its name to Island Health Foundation in the near future.

Community Relations & Marketing: Laura Moroney was pleased to introduce Kess Nelson, CHES the new Island Health Education Specialist. Laura provided updates on upcoming events: Island Primary Care Orcas To the Beach & Back 5k Fun Run and Health Fair, Anacortes Pirate Run, Anacortes Ready to Learn Fair and Anacortes Open Streets.

Laura provided an update on the exterior signage project. It is anticipated that the signs will be installed in the fall.

Laura shared the work being completed with upcoming marketing campaigns for Island Surgeons, Island Urology, Diabetes Education and Sleep Center. The campaigns will be a combination of print, email newsletters, digital media and community classes, events, sponsorship and presentations.

Laura reported on the marketing modules available for use through Press Ganey. The marketing efforts through Press Ganey will push data to various online sources such as Google, WebMD and Healthgrades to name a few.

June Board Calendar: June 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:

- No Action items

ADJOURNMENT:

There being no further business, Commissioner Iversen called for the meeting to be adjourned at 1:55pm.



Jan Iversen President/Commissioner



Chip Bogosian, MD Secretary/Commissioner



Paul Maughan, PhD Commissioner



Warren Tessler Commissioner



Lynne Lang, PhD, Commissioner