

September 28, 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 September 28th 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, Paul Maughan, PhD and Chip Bogosian, MD. Also present were Elise Cutter, CEO, Julie Norton Stewart, CFO, Jason Hogge, MD, CMO, Rob Carter, DO COS, Vicki White, MSN Interim CCO Briana Alzola, Anacortes American (WebEx), and Deanna Marshall, Executive Assistant.

Not present: Lynne Lang, PhD

Public Comment:

No Public Comments were made

Action Items Completed:

- Charity Care Report
- Paramedic Patient Metrics

CONSENT AGENDA:

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

INTRODUCTIONS

The Board welcomed Monica Jacobus, MD, Sara Weeks, DO, and Randy Gerth to the Island Team. They shared a brief background on themselves and all shared how grateful for the opportunity to serve the great community of Anacortes.

BOARD QUALITY & PATIENT SAFETY REPORT

Anita McCoy Reported on a few quality initiatives that are happening throughout the hospital. Some notable points were utilization review and capacity management, avoidable days, boarding metrics, and contracted service evaluations. She commented that these initiatives are to help with patient flow and overall quality of care.

Medical Staff Meeting Summaries:

Dr. Carter provided brief and general updates in regards to the P&T and Surgery Steering Committees. Dr. Carter welcomed the new Pharmacy Director, Randy Gerth.

Credentials:

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

Financial Update:

Julie Stewart remarked on the August 2022 Financial dashboard.

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

- ◆ Balance Sheet – The hospital collected \$9.8 million in cash in August and paid out \$9.7 million. This resulted in operating day's cash on hand of 148 down from 155 in July. The current ratio decreased to 2.5 from 2.6 in July. Repayment of the Medicare Advance Funding in August was \$661,000.
- ◆ Net Revenue – Net revenue for August 2022 was \$9.6 million with an actual collection rate of 39%, which is below the budgeted 39.5%. Outpatient gross revenue as a percentage of total revenues decreased to 81%. Hospital net revenue was below budget 2.4% and Primary Care and Specialty Clinics net revenue was above budget by 2.9%. For the month of August 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 -14.4%.
- ◆ Operating expenses – Total operating expenses for 2022 are 4.9% above budget and 12% above 2021. Wages, Salaries and benefits were 1.2% below budget. Supplies are 14.8% below budget. Professional and physician fees are 12.2% above budget. Purchased services are 44.1% above budget. Drug expense is 1.7% below budget. The total number of FTE's for 2022 is 550, which is under the budget of 594. The Hospital recorded net operating loss for 2022 of \$6,862,000 versus the budgeted operating loss of \$133. The excess margin for 2022 is \$-3,035,000 or -4.2% of net revenue versus budgeted excess margin of \$2,930,000 or 3.9% of net revenue.

Julie shared data on the charity care per the request of the Board.

Administration Update:

Vicki White, MSN RN shared a patient experience letter from a patient who visited the lab describing their experience “incredible humanity, compassion and respect.”

Operational Update:

Vicki White gave an update on the Labor & Delivery Assessment. She stated that Ricci Ros, MSN is here with Island Health to complete the assessment which is focusing on AWHONN/ACOG evaluation and prepare recommendations. These recommendations were shared. Vicki White enthusiastically shared about the safety drills done throughout the month with the Labor and Delivery department. She mentioned that there are three new graduates that started in August and are expected to complete the program by the end of December. Vicki welcomed the new Interim Supervisor to the birth center, Kate Roder.

Provider Recruitment Update:

Dr. Hogge provided an update on the ongoing provider recruitment efforts highlighting the following: Island Health has executed agreements for providers in Family Medicine 24th Street, Interventional Pain, and Wound Care.

Elise recognized the new Island Health employees who have on boarded in September and shared that Clinical Coders passed the Basket of Goodwill onto the Foundation office.

New Business:

IHF: Janie Crane opened her presentation welcoming the group to join the Day of Service on September 29th. The Foundation and Hospital staff will be working together to cleanup and replant the courtyards. She reported on the Gratitude Partner Program. She announced that IHF has raised over \$1,227,132 and remarked on the funds distributed to Island Health for use to purchase equipment throughout the hospital. Janie remarked on planned giving efforts, gratitude campaign, and the year end for the Island Health Foundation.

Community Relations & Marketing: Laura Moroney provided an update on the signage project that should be completed at year end. She mentioned the patient and staffing campaigns for mammograms and promotions on the five star rating. Due to the influx of new providers; Laura was excited to announce that marketing will commence a new provider promotion checklist.

Resolution 2022-2142: After review of the code of the bylaws, Commissioner Maughan made a motion to approve the Amended and restated Bylaws as presented by strategy. Commissioner Bogosian seconded the motion. Commissioners Bogosian, Iversen, Tessler and Maughan all voted aye and the motion carried.

Code of Ethics: After review, Commissioner Iversen made a motion to approve the Code of Ethics as presented by Strategy. Commissioner Bogosian seconded the motion. Commissioners Bogosian, Iversen, Tessler and Maughan all voted aye and the motion carried.

August Board Calendar: August Board Calendar was presented.

Action Item:

- Federal Poverty Guidelines
- Board Calendars through December

ADJOURNMENT:

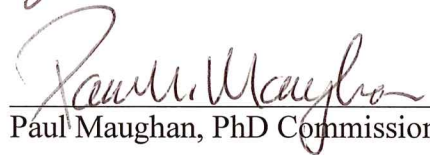
There being no further business, Commissioner Iversen called for the meeting to be adjourned at 1:44pm.



Jan Iversen President/Commissioner



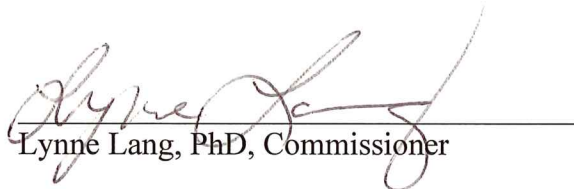
Chip Bogosian, MD Secretary/Commissioner



Paul Maughan, PhD Commissioner

Not Present

Warren Tessler Commissioner



Lynne Lang, PhD, Commissioner