

April 25, 2019

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Tessler on April 25th at 12noon in the Guemes Room of Island Hospital.

Those present were Commissioners Lynne Lang, PhD; Paul Maughan, PhD; Chip Bogosian, MD; Jan Iversen and Warren Tessler. Also present were Vince Oliver, CEO; Elise Cutter, CFO; Denise Jones, RN CPCE; Carolyn Pape, CHRO; Jason Hogge, MD, Chief of Staff; Kim Graf, Executive Assistant and Briana Alzola, Anacortes American.

Not Present: Dr. Robert Prins, CMO

**Public Comments:**

No public comments were made.

**Completed Action Items:**

The following action items have been completed:

- CEO Recruitment Update at April Med Staff Meeting
- Letter of Appreciation for A. Carlson and K. Corrion
- Hana Table Demo
- Schedule Provider Solutions + Development to attend May Board Meeting
- Emergency Preparedness Update at August Working Board Meeting

**Introduction:**

Vince was pleased to introduced Rodger Althoff, MD, Island Hospital's Part Time General Surgeon. Dr. Althoff expanded on his personal and professional background and experiences.

**2017 Audit Report:**

Eric Volk, WipFli, presented to the Board of Commissioners the Island Hospital 2017 Audit Report.

Eric reported that Island Hospital had a clean audit and that two adjustments were needed. Eric highlighted the financial analysis, provided an accounting update, a health care industry update and discussed reimbursement topics.

After review, Commission Lang made a motion to approve the 2017 Audit Report as presented. Commissioner Bogosian seconded the motion. Commissioners Maughan, Tessler, Bogosian, Lang and Iversen all voted aye and the motion carried.

Elise thanked the IH Finance Department for their efforts to continually produce a clean audit.

**CONSENT AGENDA:**

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

## **BOARD QUALITY & PATIENT SAFETY REPORT**

**Medical Staff Meeting Summaries:** Dr. Hogge reported:

Surgery Committee: There was discussion of numerous process and equipment improvements within the OR. It was agreed that a Narcan pre-check will be added to the OR order sets.

Clinical Ethics: Ethical Case Review was discussed.

Quality Assurance: Discussion of a recent ethics consult from March was discussed. The definition and use of Medical Necessity of Professional Services was reviewed. This review is included in the extended stay and avoidable day report.

Infection Control Committee: There was discussion of Community Acquired Infections, Opioids and Measles. The Healthcare Associated Infections and Patient Care Practices Blood Culture Contaminations statistics were reviewed.

Emergency Preparedness-It was shared that Island Hospital recently participated in a regional Emergency Preparedness Drill.

Credentials Committee: There was a review of the proposed credentials list.

### **Credentials:**

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

### **Board Quality/Management Review:**

There was review of the following items and recommendations:

- Survey Reports
- Patient Safety Issues
- Patient Safety System
- Medication Use Issues
- Medication Oversight
- Internal Audits and Corrective Action Plans
- Review of Provider Committees

## **FINANCE UPDATE:**

Financial Statement Review: Elise Cutter reported on the March 2019 financial statements with the Commissioners and highlighted the following as significant items:

- ◆ Balance Sheet – The hospital collected \$8.4 million in cash in March and paid out \$9 million. This resulted in day's cash on hand of 135.2 (113.6 excluding the remaining bond funds) down from February 140.6. The current ratio increased to 2.74 from 2.69 in February.
- ◆ Net Revenue – Net revenue for March 2019 was \$8.5 million with an actual collection rate of 40.7% which is above the budgeted 40.5% and higher than prior year of 39.5%. Volumes in the Hospital were above budget and physician and specialty clinics were below budget.
- ◆ Operating expenses – Total year to date operating expenses are .4% below budget and .4% above the prior year. Supplies were over budget 11.9% due to surgical volumes but under 1.5% prior year. The total number of FTE's for 2019 is 529 which is under the budget of 558 and 26 less than 2018. The Hospital recorded a net operating loss year to date of \$1,187,000 versus the budgeted operating loss of \$541,000. The excess loss year to date is \$28,000 or -.1% of net revenue versus budgeted excess gain of \$491,000 or 2.0% of net revenue.

Elise remarked that due to the upcoming CEO retirement a change in authorized signers on investments and checks is needed.

#### **Resolution 2019-2085 Treasurer Authorization:**

After review and discussion, Commissioner Bogosian made a motion to approve Resolution 2019-2085. Commissioner Lang seconded the motion. Commissioners Iversen, Lang, Bogosian, Tessler, and Maughan all voted aye and the motion carried.

#### **Resolution 2019-2086 authorization for Signature Cards**

After review and discussion, Commissioner Bogosian made a motion to approve Resolution 2019-2086. Commissioner Tessler seconded the motion. Commissioners Iversen, Lang, Bogosian, Tessler, and Maughan all voted aye and the motion carried.

#### **Administration Update:**

**CPCE:** Denise provided an update on the recently passed Washington Senate/House Bill 1155 regarding nursing meal & shift breaks. The eight hour shift limit amendment was removed from the bill.

Denise shared a recent patient letter from a patient who was treated in the Surgery Department, Acute Care and the Emergency Department.

**CHRO:** Carolyn shared that a Kronos Leave Management Module will be implemented in the near future and commended Lesa Singleton for her efforts with the implementation of this module. Carolyn provided updates on SEIU negotiations and recruiting remarking on the areas

of focus and hard to fill positions. Carolyn commented on the upcoming Employee Recognition Banquet which will be held on Friday, May 17<sup>th</sup>.

**CEO:** Vince provided an update on physician recruitment efforts for internists and remarked that two (2) internist candidates will visit Island Hospital for a site visit in the near future. Vince shared that Provider Solutions & Development will attend the May Board Meeting to expand on physician recruitment efforts.

Vince provided an update on the Phone Replacement Project. The RFPs for the new system have been received and are currently being reviewed. It is still anticipated the new system will be rolled out in third quarter.

Vince remarked on the upcoming lobbying trip to Washington, DC with Jake Johnston, IH lobbyist. Topics to be discussed will relate to reimbursement efforts.

### **Strategy Committee:**

Commissioner Tessler commented on the ongoing CEO Search efforts sharing that COORS Leadership Capital will be on site in May to conduct a site assessment and meet with key stakeholders. Commissioner Tessler and Carolyn expanded on an online COORS Assessment tool which the Commissioners will be asked to complete in the near future.

### **NEW BUSINESS:**

**Island Hospital Foundation:** Dianne Kuhn provided an update on the upcoming Island Hospital Foundation Gala of Hope. Dianne was pleased to share that close to \$150,000 has already been raised for the Heartstrings Raise The Paddle. These monies will be used to purchase new equipment for the Emergency Room.

Dianne expanded on the IHF Adopt-A-Donor Program remarking that the program is proving to be beneficial for the Foundation.

### **Commissioners Calendar:**

The May Board Calendar was approved with the addition of the Coors site visit on May 9<sup>th</sup> & 10<sup>th</sup> and Commissioner Iversen serving at the Employee Breakfast on May 15<sup>th</sup> @ 8am.

### **Board Meeting Calendar:**

After discussion it was agreed to move the Working and Regular Board Meetings to the 2<sup>nd</sup> and 4<sup>th</sup> Wednesdays of each month @ 12 noon in July 2019 in order to accommodate the upcoming Chief of Staff clinical schedule.

Kim will update the Outlook and Board Assignment Calendars and share with the Commissioners.

Action Items:

1. Update May Board Calendar with noted changes.
2. Update Board Meeting Schedule and Calendars to adjust meetings to 2<sup>nd</sup> & 4<sup>th</sup> Wednesdays of each month beginning in July 2019.

**ADJOURNMENT:**

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