

August, 2019

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Tessler on August 28th at 12noon in the Cypress of Island Hospital.

Those present were Commissioners Lynne Lang, PhD; Paul Maughan, PhD; Chip Bogosian, MD; Jan Iversen and Warren Tessler. Also present were Elise Cutter, Interim CEO/CFO; Robert Prins, MD CMO; Denise Jones, RN, CPCE; Ann Raish, Interim COO, Carolyn Pape, CHRO; Robert Rieger, MD, COS; Kim Graf, Executive Assistant and Briana Alzola, Anacortes American.

Public Comments:

Carol Jacobson, Jobs with Justice, Elaine Hornal, Jobs with Justice, Betsy Pernotto, Kristen Beifus, United Food and Commercial Workers, Senator Liz Lovelett, WA Senate, Kim Deans, CNA, Island Hospital, Janet McKinney, International Brotherhood of Electrical Workers, Chip Burgess, Labor Union North America, Darrell Stubblefield, Labor Union North America, Trevor Smith, Labor Union North America and Steve Garcy shared their personal opinions regarding healthcare wages at Island Hospital.

Completed Action Items:

The following action items have been completed:

- Emergency Preparedness Program Update sent to Commissioners

CONSENT AGENDA:

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

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries: Dr. Rieger reported:

Emergency Department Committee: There was review of the Sedation Policy for the Emergency Room and discussion on documentation processes within the department.

OB/Peds Committee-Nitrous Oxide gas is now being offered to patients within the Birth Center and discussion of participating in the AIM Specialty Health Program.

There were no questions or remarks regarding the July Medical Staff Report which included the following Medical Staff Committee reports:

- Surgery Committee
- Clinical Ethics Committee

- P&T Committee
- QA Committee
- Credentials Committee

Quality Management Oversight Committee Report:

There was review of the following items and recommendations:

- Infection Prevention, Hospital Acquired Infections
- Patient Experience
- Pain Management
- In depth discuss of the Quality Management Plan
- Survey/Investigation Reports
- Medical Staff Committee Summary Review

After discussion, Commissioner Maughan made a motion to approve the Quality Program and Plan as presented. Commissioner Lang seconded the motion. Commissioners Iversen, Lang, Tessler, Bogosian and Maughan all voted aye and the motion carried.

FINANCE UPDATE:

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

- ❖ Balance Sheet – The hospital collected \$8 million in cash in July and paid out \$8.1 million. This resulted in day's cash on hand of 138.7 (121 excluding the remaining bond funds) up from June 134.7. The current ratio increased to 2.84 from 2.78 in June.
- ❖ Net Revenue – Net revenue for July 2019 was \$7.9 million with an actual collection rate of 39.7% which is below the budgeted 40.5%. Volumes were below budget in Inpatients and Primary Care and Specialty Clinics.
- ❖ Operating expenses – Total year to date operating expenses are 3.2% below budget and .2% above the prior year. YTD supplies are over budget .4% but under prior year by 7.3%. Professional and physician fees are 15.2% above budget and 32.4% above 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 \$1,155,000 versus the budgeted operating loss of \$897,000. The excess gain year to date is \$1,474,000 or 2.7% of net revenue versus budgeted excess gain of \$1,499,000 or 2.6% of net revenue.

Administration Update:

CMO: Dr. Prins provided the Commissioners with information on the Scribe Committee's vendor of choice recommendation for a Scribe Program at Island Hospital. Dr. Prins reviewed the need for a scribe program, the goals of the program, the process and timeline leading to the vendor recommendation. The Scribe Committee unanimously agreed to recommend Saykara as the vendor of choice for the IH Scribe Program. Dr. Prins reviewed the implementation plan for the program which will involve establishing baseline satisfaction with documentation options, establish pre-scribe baseline for completion of documentation, establish a six (6) month Saykara

trial with monthly check in and a post metric capture to evaluate and analyze the use of scribes at the end of the trial period. Policy, procedures and criteria for the IH Scribe Program are being developed.

Dr. Prins recapped a recent informational site visit to Swedish and First Hill to view their ICU Telemedicine/Intensivist Program. This program would be used to evaluate critical patients so that patients can be treated and cared for at Island Hospital rather than being transferred to other facilities.

CEO: Elise Cutter provided update on the following areas:

Roofing Project: Elise reviewed the project time noting that Phase I will be completed in September with the roofing portion completed in October. Phase II and III will focus on HVAC, ceiling and lighting improvements.

IIM Interface: The IIM interface went live on August 7th and specimens are currently being collected. The Laboratory is working with IIM clinic manager and providers to educate them on utilizing the IH interface. It was noted that the Laboratory is looking to add additional E-Clinical Works clients in order to maximize the interface.

Physician Recruitment: Elise reviewed physician recruitment efforts remarking on the change of start dates for several providers due to various onboarding processes, reviewed the family practice vacancies for primary care clinics and remarked on upcoming site visits and potential candidates.

Unified Communication System: Elise reviewed the UCS Committee presentation recently presented to the SLT with the vendor of recommendation for the new phone system. Elise commended Shane Taylor, Jeremy Kay and the UCS team for their efforts with this process. Elise reviewed the need for a new phone system, the goals of the new system, timeline and processes for selecting the Cisco/CDW vendor. A project plan, cash flow plan and timeline for implementation are currently being developed.

Elise shared that the Expanse Priority Pack Update was completed successfully today. There were over 10,000 code updates and 3,500 enhancements.

Strategy Committee:

CEO Recruitment: Commissioner Tessler provided an update on CEO Search efforts remarking that the Board of Commissioners along with the Executive Transition Committee (ETC) and Chief of Staff recently screened candidates and narrowed the candidate pool. Initial interviews will be conducted in the near future. It is anticipated that on site visits will be conducted in late September.

NEW BUSINESS:

Island Hospital Foundation: Dianne Kuhn was pleased to share that through the month of August the IHF has received over a million dollars in donations. Dianne reported that close to \$58,000 net proceeds were raised from the 2019 IH Golf Classic.

Dianne remarked on the upcoming October 2nd Doc Toc which will feature Dr. Rob Billow. The focus of this informational session will be trending approaches to pain during the ongoing opioid crisis. Dianne briefly remarked on the 2018 IHF Impact Report.

Commissioners Calendar: The September Board Calendar was approved as presented.

Upcoming Board Meetings: There was discussion of the upcoming Board Meeting schedule through the end of 2019.

After discussion it was decided to:

1. October:
 - a. Working Board, Wednesday, October 9th
 - b. Regular Board Meeting, Wednesday October 23rd

2. November
 - a. Finance Committee, Monday, November 11th
 - b. Working Board/Special Budget Meeting, Wednesday, November 13th
 - c. Regular Board Meeting, Wednesday, November 20th

3. December
 - a. Combine the Working and Regular Board Meetings into one meeting to be held on Wednesday, December 18th.

Elise remarked on the Annual Employee Picnic held last week and was pleased to share that over three hundred (300) Island Hospital Employees were served that day. Elise commended the Dietary staff for their efforts with the picnic.

Conference Meeting Schedule:

There was review and discussion of expenses for attending the WSHA Rural Health & Annual Meeting Conferences and an Estes Park Conference.

Commissioner Tessler remarked on the importance of Board education and the value of the material presented at the Estes Park Conferences. Commissioner Tessler asked the Commissioners to review the Estes Park materials and be prepared to discuss at the September Regular Board Meeting.

2019 PAC Campaign: Elise dispersed the 2019 WPAC Annual Campaign literature to the Commissioners. Commissioners were asked to return their individual pledges, if made, to Administration by the September 25th Regular Board Meeting.

Action Items:

- Exit Survey Update at January Board Meeting
- Report out on total cost per provider for scribe services
- Report out on Laboratory interface revenue with IIM specimens
- Report out on phone replacement timeline
- IHF Doc Talk information mailed to Commissioners
- Follow up discussion Estes Park Conference at September Regular Board Meeting.

ADJOURNMENT:

There being no further business, Commissioner Tessler called for the meeting to be adjourned at 2:55 pm.

Warren Tessler President/Commissioner

Jan Iversen Secretary/Commissioner

Paul Maughan, PhD Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner