

October 23rd, 2019

The regular meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Iversen on October 23rd at 12noon in the Cypress Room of Island Hospital.

Those present were Commissioners Lynne Lang, PhD; Paul Maughan, PhD; Chip Bogosian, MD and Jan Iversen. 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 and Kim Graf, Executive Assistant .

Present via conference phone: Commissioner Warren Tessler

Action Items Completed:

- At this meeting, Scribe Costs Per Provider
- At this meeting, Estimated Revenue IIM Interface
- At this meeting, Phone Replacement Timeline
- IHF Doc Talk Information shared with Commissioners

Public Comments:

No public comments were made.

CONSENT AGENDA:

After review and discussion, Commissioner Lang made a motion to approve the Consent Agenda. Commissioner Bogosian 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:

ED Committee: There was discussion of Emergency Buprenorphine Treatment, Hepatitis A Vaccines and Skagit Crisis update which focused on the Mobile Outreach Team. MCOT provides education to the community regarding mental health issues and Emergency Departments.

P & T Committee: There was review and comparison of antibiotic use between Island Hospital, the State and Alaska.

It was noted that IH received a \$10,000 grant from Coverys to be used to help improve antibiotic usage rate. Improvement has been see with C. Diff and the reduced number of therapy day for fluoroquinolones.

OB/Ped Committee: The Code Apgar Policy was reviewed and the addition of Neonatal crash cart within the Birth Center and a Peds Broslow crash carts within the ED were discussed.

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

- Emergency Department Committee
- Surgery Committee
- QA Committee
- Infection Control Committee
- Credentials

Quality Management Oversight Committee Report:

There was review of the following items and recommendations:

- Blood Use
- Discrepant Pathology Reports
- Physical Environment Management which included:
 - Life Safety Management
 - Security Management
 - Hazardous Material Management
 - Emergency Management
 - Medical Management
 - Utilities Management
- Internal Audits
- Survey Reports noting that the ISO re-certification is pending.

FINANCE UPDATE:

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

- ◆ *Balance Sheet* – The hospital collected \$7.9 million in cash in September and paid out \$8.3 million. This resulted in day's cash on hand of 135.8 (116.3 excluding the remaining bond funds) down from August 137.4. The current ratio decreased to 3.02 from 3.05 in August.
- ◆ *Net Revenue* – Net revenue for September 2019 was \$8.2 million with an actual collection rate of 40.6% which is above the budgeted 40.5% due a lower percentage of government payors. Inpatient hospital and Pro Fee revenue were above budget and Primary Care and Specialty Clinics net revenue fell below budget 20.4%.
- ◆ *Operating expenses* – Total year to date operating expenses are 2.4% below budget and 5.7% above the prior year. YTD supplies are under budget .8% and prior year by 7.6%. Professional and physician fees are 17.6% above budget and 24.4% above prior year. The total number of FTE's for 2019 is 531 which is under the budget of 558 and 21 less than 2018. The Hospital recorded a net operating loss year to date of \$603,000 versus the budgeted operating loss of \$1,112,000. The excess gain year to date is \$2,798,000 or 3.9% of net revenue versus budgeted excess gain of \$1,968,000 or 2.7% of net revenue.

Elise remarked on the revised budget calendar. The budget calendar has been revised to include the new CEO, Charles Hall, in the 2020 Operational & Capital Budget planning sessions.

Elise remarked on the Kaiser Medicare Advantage Plan noting that beginning 2020 IH primary care physicians will be “out of network”. Over 1,000 Island Hospital patients will be effected by this change which Kaiser is making in order to narrow their network to control costs and quality.

In order to inform Island Hospital patients of this change, Island Hospital has sent letters to all patients effected by this change. Patients should be referred to Julie McKee, SHIBA Representative, to discuss the options available. Island Hospital will continue to educate patients through postings on website, information at Resource Center, Facebook, multiple mailings, ad in the Anacortes American and presentations at the Anacortes Senior Center.

Elise provided an update on the Unified Communication System implementation timeline. Elise noted that the project will begin the First Quarter 2020 and it is anticipated that the project will take four (4) to six (6) months to implement.

Elise remarked that IIM laboratory specimen volume continues to increase since the launch of the IIM lab interface. It is anticipated that approximately one hundred (100) specimens will be collected on a monthly basis. This is an increase from the past.

Administration Update:

CMO: Dr. Prins provided an overview of the M*Modal voice recognition system used by providers for documentation. Highlighted were the following: Provider adoption rate, user types, usage rates by minute, built in commands and the usage rate metrics.

CHRO: Carolyn Pape provided an HR update highlighting the following:

- The increase in the 12 month retention rate for employees
- Annual Performance Reviews
- Recruiting Update
- Reviewed the Department of Labor Final Rule on exempt threshold salary levels
- HB 1931 Workplace Violence Prevention
- HB 1155 Uninterrupted breaks for nurses, technologist and technicians
- Remarked on ongoing SEIU negotiations
- Noted the upcoming 2020 Leadership Development Series
- Shared that benefit open enrollment is open from November 1st-30th. The IH Benefit Fair will be held on November 6th in Cypress.

Carolyn commended the Employee Wellness Committee for their efforts and programs in 2019. Highlighted were the numerous activities the committee offered this year: Step Up Challenge, Farmstand Fall Harvest Festival, monthly general health and wellness challenges, Therapy Dogs and Hiking Series and an upcoming new program, "Healthily Lifestyle Program".

Interim COO: Ann Raish provided an update on the Saykara Scribe Pilot Program. Ann reviewed the metrics which will be collected and analyzed during the pilot program as well as the pricing per provider.

CPCE: Denise Jones, RN reported on the Press Ganey 3rd Quarter Patient Experience scores noting the increase in the Patient Experience score from 48% to 58%. Denise commended all the departments for their efforts to improve the scores and remarked on various efforts and initiatives being conducted within departments to improve the scores.

New Business:

IHF: Jeannette Papadakis remarked on the upcoming IHF Annual Retreat and on a brief Board Meeting which will focus on discussion of a grant received from Island Hospital for an MSW in the Emergency Department.

Jeannette reported on the recent Doc Talk noting the success, shared that the 2018 IHF Impact Report has been released, remarked on an upcoming Holiday Appeal Campaign and the ongoing Employee Appeal Campaign.

Jeannette provided an update on the Nick of Time Foundation event in December.

November Board Calendar:

Elise thanked the Interim Leadership Team for their efforts and support during the transition time while she was acting as Interim CEO. Elise remarked on the accomplishments the team completed over the last several months. Commissioner Iversen commended and thanked Elise for her work as the Interim CEO remarking that she is an exceptional leader and communicator.

The November Board Calendar was approved as presented.

Action Items:

- ED MSW Presentation

ADJOURNMENT:

There being no further business, Commissioner Iversen called for the meeting to be adjourned at 1:40pm.

Warren Tessler President/Commissioner

Jan Iversen Secretary/Commissioner

Paul Maughan, PhD Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner