

March 24, 2021

The Regular Board Meeting of the Board of Commissioners for Island Hospital was called to order by Commissioner Iversen at 12:00 pm on March 24th in Cypress Conference Room. Due to the ongoing COVID 19 Pandemic the Regular Board Meeting was conducted via WebEx.

Those present were Commissioners Warren Tessler; Jan Iversen, Paul Maughan, PhD and Chip Bogosian, MD. Also present were Charles Hall, MSN, CEO; Dr. Rob Carter, COS Select, Carol Northup, RN CNO, Julie Norton Stewart, CFO, Kim Graf, Executive Assistant and Questen Inghram Anacortes American.

Not present: Elise Cutter, COO; Lynne Lang, PhD Commissioner; Rob Rieger, MD COS

Public Comment:

No Public Comments were made

Action Items Completed:

Set up Commissioner site visit to Orcas. Attend Ribbon Cutting Ceremony.

CONSENT AGENDA:

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

RESOLUTION 2021-2025 Petty Cash:

After review and discussion, Commissioner Maughan made a motion to approve Resolution 2021-2125 Petty Cash as presented. Commissioner Bogosian seconded the motion. Commissioners Bogosian, Iversen, Tessler and Maughan all voted aye and the motion carried.

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries:

Dr. Carter provided brief updates on the following Medical Staff Committees:

- Surgery Committee
- Clinical Ethics Committee
- QA Committee
- Credentials Committee

Commissioner Iversen remarked on the Ethics Committee noting that the meetings are relevant and informative.

CREDENTIALS:

After review and discussion, 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.

Quality Management Oversight Summary:

Anita McCoy reviewed the Quality Management Oversight Committee Minutes highlighting the following:

- Organizational Quality Goals
- Patient Flow
- Incident Reports
- Grievances
- Readmissions
- Unplanned Returns to Surgery
- Mortality

Financial Update:

Financial Statement Review: Julie Norton Stewart reported on the February 2021 financial statements with the Commissioners and highlighted the following as significant items:

•Balance Sheet – The hospital collected \$7.5 million in cash in February and paid out \$7.8 million. This resulted in day's cash on hand of 243.8 (220.7 in operating cash funds) down from January of 249.9. The current ratio stayed the same at 1.81 from January.

•Net Revenue – Net revenue for February 2021 was \$7.4 million with an actual collection rate of 39.6% which is below the budgeted 41.2%. Outpatient gross revenue as a percentage of total revenues increased to 84% of the total gross revenue. Hospital net revenue was below budget 14% and Primary Care and Specialty Clinics net revenue was below budget by 13.8%. For the month of February 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 -5.6%.

•Operating expenses – Total operating expenses for 2021 are 9% below budget and 3.2% below the prior year. Wages, Salaries and benefits were 8.6% below budget. Supplies are 18.1% below budget and below prior year by 23.7%. Professional and physician fees are 19.1% below budget and 6.4% below prior year. Purchased services are 1.2% below budget and 3.2% below prior year. Drug expense is 4.4% below budget and 12.4% above prior year related to oncology. The total number of FTE's for 2021 is 524 which is under the budget of 594 and 10 less than 2020. The Hospital recorded a net operating loss for 2020 of \$376,000 versus the budgeted operating loss of \$17,000. The excess margin for 2021 is \$342,000 or 2.2% of net revenue versus budgeted excess gain of \$738,000 or 4.2% of net revenue.

Administration Update:

Employee Recognition:

Welcomed Natalie Shiflett, as the new Island Hospital Director Surgical Services. Natalie shared with the Commissioners her personal and professional background.

Welcomed Aaimée Johnson as the new Island Primary Care-Orcas Clinic Manager.

Announced the promotion of Kim Graf to Physician Relations & Recruitment Coordinator.

Employee of the Month February: Liz Wingard, Medical Staff Coordinator.

Golden Apple Award-Island Hospital Employee Wellness: Charles was please to share that Island Hospital Employee Wellness Committee has received The Golden Apple Award. This award recognizes outstanding employee health promotion programs within Washington State.

CEO:

Charles provided updates on the following:

- Tele ICU implementation progress. It is anticipated that the program will Go Live in May.
- Remarkd on several programs under development:
 - Tele ICU
 - Island Primary Care-Orcas
 - Island Health & Wellness Center
 - Primary Care, Gastroenterology and OBGYN service lines
- Remarkd on the provider transition for Island Primary Care–Orcas Clinic
- Shared that Island Hospital recently administered the 5,000th COVID vaccine at our Island Hospital COVID Vaccine Clinic.
- Provided an overview of the Blue Zones Project.
- Charles briefly remarked on State, regional and county COVID Metrics. Remarkd on Washington State COVID-19 vaccine allocations.
- National Doctor’s Day, March 30th.

WSNA Collective Bargaining Agreement:

There was discussion of the WSNA Collective Bargaining Agreement processes. The agreement will be shared with the Commissioners and action will be taken at an upcoming Board Meeting.

New Business:

IHF: Janie Crane, Foundation Director, provided updates on the following:

- Focus Areas for the IHF 2021 Strategic Plan
- Communication Strategies
- Board Engagement
- Fundraising Plan
- Spring Appeal

Community Relations & Marketing: Laura Moroney, Director Marketing and Community Relations, provided an update on the Island Hospital Brand Strategy Project. Highlighting the following:

- Why the need for the project?
- Goals of project

April Board Calendar: April 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 reconvene.

The Board reconvened at 1:58pm

Action Item:

- WSNA Agreement to Commissioners for review.
- Set up meeting for Commissioners with Marketing & Community Relations

ADJOURNMENT:

There being no further business, Commissioner Iversen called for the meeting to be adjourned at 2:00pm.

Jan Iversen, President/Commissioner

Chip Bogosian, MD Secretary/Commissioner

Paul Maughan, PhD Commissioner

Warren Tessler Commissioner

Lynne Lang, PhD, Commissioner