

June 23, 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 June 23rd 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, Lynne Lang, PhD and Chip Bogosian, MD. Also present were Charles Hall, MSN, CEO; Elise Cutter, COO; Dr. Rob Rieger, COS, Dr. Rob Carter, COS Select, Julie Norton Stewart, CFO, Kim Graf, Executive Assistant and Questen Inghram Anacortes American.

Not Present: Carol Northup, RN CNO

Public Comment:

No Public Comments were made

Action Items Completed:

- Hospital Week Events Shared with Commissioners
- EMS BBQ details shared with Commissioners
- Branding Action Taken June Working Board Meeting

Program Update:

Soltive Urology Laser Demo: Dr. Kevwitch and Nadia Qutmish, Olympus Medical, provided a demo on the new Island Hospital Soltive Urology Laser. The first surgical procedures with the laser will be conducted in the near future. Island Hospital was able to purchase the laser through a generous gift made to the Island Hospital Foundation.

CONSENT AGENDA:

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

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries:

Dr. Rieger introduced Dr. Rob Carter. Dr. Carter will assume the role of Chief of Staff on July 1, 2021. Dr. Carter expanded on his personal and professional background. All in attendance welcomed Dr. Carter.

Dr. Carter remarked on the upcoming MEC Committee members.

Dr. Rieger provided an update on the following medical staff committee meetings:

- Department of Medicine
- Emergency Department Committee
- QA Committee
- OB Peds Committee

Charles recognized Dr. Rieger for his contributions to the Island Hospital Medical Staff while serving as Chief of Staff from July 2019-June 30, 2021. The Commissioners commended Dr. Rieger for his service while serving as Chief of Staff and for his involvement in the community.

Board Quality & Management Review:

Anita McCoy reported on the following:

- Infection Prevention & Control
- Antimicrobial Stewardship
- Discrepant Pathology Reports
- Blood Use

Financial Update:

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

- ◆ **Balance Sheet** – The hospital collected \$8.7 million in cash in May and paid out \$7.9 million. This resulted in day's cash on hand of 248.7 (222.5 in operating cash funds) up from April of 245.9. The current ratio increased to 2.15 from 2.14 in April.
- ◆ **Net Revenue** – Net revenue for May 2021 was \$9.2 million with an actual collection rate of 39.4% which is below the budgeted 41.9%. Outpatient gross revenue as a percentage of total revenues decreased to 80% of the total gross revenue. Hospital net revenue was above budget 1% and Primary Care and Specialty Clinics net revenue was below budget by 15.7%. For the month of May the Hospital meet its financial pillar goal of an operating margin of net revenue to meet or exceed 1%, with an actual operating margin of 5.9%.
- ◆ **Operating expenses** – Total operating expenses for 2021 are 8.1% below budget and 14.1% above 2019. Wages, Salaries and benefits were 9.2% below budget. Supplies are 18% below budget. Professional and physician fees are 6.5% below budget. Purchased services are 4.4% above budget. Drug expense is .9% below budget. The total number of FTE's for 2021 is 532 which is under the budget of 594 and 44 less than 2020. The Hospital recorded net operating income for 2021 of \$333,000 versus the budgeted operating income of \$306,000. The excess margin for 2021 is \$2,093,000 or 5% of net revenue versus budgeted excess margin of \$2,194,000 or 4.8% of net revenue.

Administration Update:

Employee Recognition:

Basket of Goodwill: June: Acute Care passed to Therapies Department.

Employee of the Month May: Shane Taylor, System Administrator Information Systems

Recognized the new employees on boarded during the month of June.

CEO:

Charles provided updates on the following:

- Ongoing Q2 Town Hall Meetings being conducted remotely.
- Ongoing Press Ganey Employment Engagement Survey & Provider Engagement Survey

Elise provided an update on COVID 19 . The next State update will be June 30th by Governor Inslee. The anticipated State reopening on June 30th will have an impact on meeting and dining space. Island Hospital is awaiting information on the Emergency Proclamations as they will have an impact on reopening of services. Elise shared that 81% of Island Hospital staff have received a COVID 19 vaccine.

New Business:

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

- Provided an update on the Year To Date Fundraising Totals
- Recapped the Well Journey Adventure
- Upcoming IHF events: Island Hospital Golf Classic & the Comprehensive Ability Assessment

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

- Key milestones and timeline review
- Logo exploration

July Board Calendar: July Board Calendar was approved as presented.

Action Item:

1. No Action items

ADJOURNMENT:

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

Jan Iversen, President/Commissioner

Chip Bogosian, MD Secretary/Commissioner

Paul Maughan, PhD Commissioner

Warren Tessler Commissioner

Lynne Lang, PhD, Commissioner