

September 23, 2020

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

Those present were Commissioners Warren Tessler; Paul Maughan, PhD; Chip Bogosian, MD; Commissioner Lang, PhD and Jan Iversen. Also present were Charles Hall, CEO; Elise Cutter, COO/CFO; Carolyn Pape, CHRO; Robert Rieger, MD, COS and Kim Graf, Executive Assistant.

Via WebEx: Briana Alzola, Anacortes American, Anita McCoy, RN and Jeanne Sandahl, RN Interim CNO

Action Items Completed:

- Global Epidemics Link sent to Commissioners

Public Comments:

No Public Comments were made

Introductions:

Charles was pleased to introduce Laura Moroney, Island Hospital's new Director of Marketing & Community Relations and Dr. Mansel Kevwitch, urologist from Island Urology. Both expanded on their personal and professional backgrounds.

CONSENT AGENDA:

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

BOARD QUALITY & PATIENT SAFETY REPORT

Medical Staff Meeting Summaries:

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

- Anesthesia Committee
- OB/Peds
- ED
- Surgery
- Infectious Disease

Seasonal Influenza Update:

Anita McCoy provided an update on the 2020/2021 seasonal flu highlighting the following:

- Predictions
- Influenza vaccine and COVID 19
- Vaccination availability
- Who should be vaccinated
- Types of vaccines available at Island Hospital
- Anticipated that Island Hospital Flu Clinics will open in early October
- Community Vaccination Resources
- Reminder-Get a flu shot, social distance, wear a mask and frequent hand washing

Financial Update:

Financial Statement Review: Elise Cutter reported on the August 2020 financial statements with the Commissioners and highlighted the following as significant items:

- ◆ *Balance Sheet – The hospital collected \$8.5 million in cash in August and paid out \$8.1 million. This resulted in day's cash on hand of 204 (174.7 in operating cash funds) down from June of 202.6. The current ratio increased to 2.10 from 2.04 in July.*
- ◆ *Net Revenue – Net revenue for August 2020 was \$8.4 million with an actual collection rate of 40.9% which is below the budgeted 41.2%. Outpatient gross revenue was 83% of the total gross revenue impacting the collection rate as well as bad debt write offs of \$480K, financial assistance write offs in August of \$109K and another \$95K in Medicare write offs. Hospital net revenue fell below budget 1.3% and Primary Care and Specialty Clinics net revenue fell below budget 20%. For the month of August the Hospital met its financial pillar goal of an operating margin of net revenue to meet or exceed 1%, with an actual operating margin of 6.1%.*
- ◆ *Operating expenses – Total operating expenses for August are 8.6% below budget and 4% below the prior year. Wages and Salaries 9.2% below budget and .1% below prior year. Supplies are 6.8% below budget and below prior year by 17.9%. Professional and physician fees are 24.5% below budget and 42.4% below prior year. Purchased services are 8.8% below budget and 3.6% below prior year. Drug expense is 4.3% below budget and 47.3% above prior year. The total number of FTE's for 2020 is 488 which is under the budget of 579 and 66 less than 2019. The Hospital recorded a net operating income for August of \$516,000 versus the budgeted operating income of \$175,000. The excess gain for August is \$908,000 or 10.8% of net revenue versus budgeted excess gain of \$555,000 or 6.3% of net revenue.*

Administration Update:

Welcome:

Dr. Mansel Kevwitch, Urologist Island Urology
Laura Moroney, Director Marketing & Community Relations
Carol Northup, Chief Nursing Officer who will begin in the next few weeks
Melody Pettingill, Director Food Services

Employee Recognition:

Employee of the Month September: Jackie Hussey, Patient Scheduler Sports & Spine Clinic.

Basket of Goodwill was passed from Call Center to Information Systems.

CEO:

Charles provided a brief update on the COVID 19 Pandemic highlighting:

- Regional & Island Hospital Metrics
- Testing metrics
- Island Hospital preparedness and the COVID Readiness Committee

Charles provided an update the ongoing strategic and budget planning for 2021.

Charles remarked on Practice Management efforts highlighting the following:

Child Psychiatrist: Dr. Shad Ali will join the Island Hospital Medical Staff and Psychiatry & Behavioral Health Clinic in September.

Family Practice: Dr. Stephen Horras has joined the Island Hospital Medical Staff and FMA Clinic and is seeing patients.

Briefly remarked on the timeline and negotiations with Orcas Island Health Care for the Medical Clinical Operator for the Orcas Medical Clinic.

New Business:

IHF: Jeannette Papadakis remarked on the year to date donations that the Island Hospital Foundation has received. To date the Island Hospital Foundation has received close to \$1.9 million in donations.

Jeannette shared that the Island Hospital Golf Classic Mulligan Match Campaign has raised over \$56,000 to support COVID 19 testing, remarked on top fund allocations, ongoing planning for the upcoming IHF Board Retreat, draft Impact Report, shared that IHF had a clean audit which was conducted by Wipfli, announced the slate for the 2021 IHF Board Officers and provided information on the upcoming Doc Talk which is scheduled for October 29th.

October Board Calendar:

The October Board Calendar was approved as presented.

Executive Session:

Commissioner Tessler announced that we will be holding an Executive Session to discuss:

1. To review a report of the quality improvement committee (QIC) RCW 70.44.062 (2).

We expect the session to take thirty (30) minutes in length. At the end of the Executive Session ACTION will NOT be taken and therefore we will reconvene.

The Board reconvened at 2:27 pm.

Action Items:

- Metrics for children diagnosed with COVID

ADJOURNMENT:

There being no further business, Commissioner Tessler called for the meeting to be adjourned at 2:30pm.

Warren Tessler President/Commissioner

Jan Iversen Secretary/Commissioner

Paul Maughan, PhD Commissioner

Chip Bogosian, MD., Commissioner

Lynne Lang, PhD, Commissioner