# Grays Harbor Public Hospital District No. 2
# Board of Commissioners

**DISTRICT BOARD**
Meeting Agenda
February 27, 2018
Conference Room C; West Campus

## CALL TO ORDER

I. Excused Absences
II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

## CONSENT AGENDA

I. District Board Minutes; January 23, 2018
II. January Checks/Warrants; $1,446.58

## COMMITTEE / CHAIRMAN REPORTS

I. Board Finance
   A. Resolution 2018-02; Auditor
   B. Resolution 2018-03; Treasurer

II. Chairman's Report

## OLD BUSINESS

## NEW BUSINESS

## PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

## NEXT MEETING

**NOTE DAY/TIME CHANGE: Monday, March 26 ; Room C ; Following 1:00p Hospital Board Mtg.**

## ADJOURNMENT

**Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.**

*NOTE: Th**is is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change** items prior to or at the meetings. This does not include legally advertised public hearings.*

GRAYS HARBOR COMMUNITY HOSPITAL

## *Our Mission*

*Heal, Comfort and Serve*
*Our Community with Compassion.*

## *Our Vision*

*To provide each patient superior service*
*and safety, exceptional by any standard.*

## *Our Values*

*Respect ● Integrity ● Compassion ● Excellence*

## *Our Standards*

*Communication ● Accountability ● Professionalism ●*
*Teamwork ● Ownership ● Safety ● Service*

## *Our Desired Future State*

"*We will be an integrated regional healthcare network,*
*partnering in our communities to provide exceptional care*
*with an inspired healthcare team*."

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GRAYS HARBOR COMMUNITY HOSPITAL

**HOSPITAL BOARD**
Meeting Agenda
February 27, 2018
1:00p
Conference Room C, West Campus

## EDUCATION

John Klare, Managing Director Healthcare; Navigant

## CALL TO ORDER

I. Excused Absences
II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

## CONSENT AGENDA

I. Hospital Board Minutes; January 23, 2018
II. Board Quality Minutes; January 16, 2018
III. Board Finance Minutes; January 18, 2018

## BOARD ACTION

I. Medical Staff Credentialing Report
II. Chairman's Report
   A. Annual Board Education; April 18-20; Harmony Hills Retreat Center

## COMMITTEE REPORTS

I. Board Quality February Report – Committee Chair
II. Board Finance February Report – Committee Chair
   A. COM014 Fraud and Abuse Policy
   B. Board Mtg. Date Changes:

| | |
|---|---|
| Monday, March 26th | 1:00p |
| Tuesday, April 24th | 6:00p |
| Thursday, June 21st | 6:00p |
| Thursday, Dec 20th | 6:00p |

## ADMINISTRATION

I. Executive Suite Summary Report – Tom Jensen, CEO
   A. HMG Recruiting Report (no updates)

## OLD BUSINESS

I. Non-Board Member Committee Membership Report – Miles Longenbaugh
II. Revised Agenda Approval Process – Maryann Welch

## NEW BUSINESS

I. March Education
   - GHCH Communication Policy / Process
   - Crisis Intervention Prevention Training

II. Good of the Order

## PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

**NEXT MEETING NOTE DAY / TIME CHANGE Monday, March 26 1:00p Room C**

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2**
**BOARD OF COMMISSIONERS REGULAR MEETING**
**February 27, 2018**

**COMMISSIONERS PRESENT**
Michael Bruce, District 2
Miles Longenbaugh, District 3
Melanie Sturgeon, At Large 2
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

**OTHERS PRESENT**
Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH
Members of the Public

**ABSENT**
Andrew Bickar, District 4

## CALL TO ORDER

President Welch called the meeting to order at 2:17p.

Absences
Commissioner Bickar provided notice that he would not be in attendance during today's meeting.

**Action**: A motion was made by Commissioner Bruce, seconded by Commissioner Longenbaugh, and unanimously carried to approve Commissioners Bickar's absence.

Public Comment – Agenda Topics
President Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

## CONSENT AGENDA

Submitted under the Consent Agenda were:

- District Board Minutes; January 23, 2018
- January Checks/Warrants; $1,446.58

**ACTION**: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Walsh, and unanimously carried to approve the Consent Agenda.

## COMMITTEE / CHAIRMAN REPORTS

I. Board Finance Committee

Submitted and recommended for Board approval by Board Finance, was Resolution 2018-02; Auditor. In light of Mr. Vessey's departure the end of March, Niall Foley, Controller, is being recommended as Auditor. The Auditor authorizes checks and warrants for the organization, with the support of existing Deputy Auditors.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Sturgeon and unanimously carried to approve Resolution 2018-02; Auditor.

Submitted and recommended for Board approval by Board Finance, was Resolution 2018-03; Treasurer. In light of Mr. Vessey's, departure the end of March, Tom Jensen, CEO, is being recommended as Treasurer. Many junior taxing districts rely on the County; however, PHD No. 2 has managed the role in-house. The County would charge the District if in the future they were asked to assume the role.

**ACTION**: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Sturgeon and unanimously carried to approve Resolution 2018-03; Treasurer.

II. Chairman's Report

None

**OLD BUSINESS**

None

**NEW BUSINESS**

None

Public Comment – General
President Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

**ADJOURNMENT**

The meeting adjourned at 2:19p.

**APPROVED AND ADOPTED THIS 26th day of March, 2018.**

**ATTEST:**

Teresa Ramirez
Recording Secretary

Commissioner Robert Torgerson
Secretary

Grays Harbor
COMMUNITY
HOSPITAL

# FINANCIAL STATEMENTS

February 2018

# GHCH Consolidating Balance Sheet—Assets
## 2/28/18

Grays Harbor COMMUNITY HOSPITAL

| | Total 2/28/18 |
|---|---|
| **CURRENT ASSETS:** | |
| Cash | 2,712,036 |
| Temporarily Restricted Cash-Peds | 0 |
| Patient Receivables: | |
| Gross Patient Receivables | 72,537,635 |
| Less Allowance for Uncollectibles | (48,154,458) |
| **Net Patient Receivables** | 24,383,177 |
| Other Receivables | 1,659,727 |
| Third Party Receivables | 0 |
| Inventories | 1,970,516 |
| Prepaid Expense | 499,356 |
| Temporarily Restricted Curr Assets | 1,222,558 |
| Other Current Assets | 1,783,123 |
| **Total Current Assets** | 34,230,494 |
| **Board Designated Assets** | 1,904,477 |
| **Property, Plant & Equipment** | |
| Land & Land Improvements | 2,185,947 |
| Building & Improvements | 68,082,971 |
| Medical Office Building | 1,317,699 |
| Equipment | 38,472,986 |
| CIP--First Step | 0 |
| CIP | 402,310 |
| Total CIP | 402,310 |
| **Total Fixed Assets** | 110,461,912 |
| Accumulated Depreciation | (73,690,227) |
| **Net Property, Plant & Equipment** | 36,771,685 |
| Other Assets: | |
| Project Fund | 0 |
| Reserve Fund | 2,164,252 |
| Phys Loans/Guarantees (after 2001) | 0 |
| Other Non current Assets | 2,319,801 |
| Intangible--Pension | 740,624 |
| Investments | 0 |
| Deferred Pension Outflows | 1,781,739 |
| Permanently restricted Assets | 6,324,782 |
| **Total Other Assets** | 13,331,199 |
| **TOTAL ASSETS** | 86,237,854 |

# GHCH Consolidating Balance Sheet—Liabilities 2/28/18

Grays Harbor COMMUNITY HOSPITAL

| | Total 2/28/18 |
|---|---|
| **CURRENT LIABILITIES** | |
| Short Term Notes Payable | 3,000,000 |
| Accounts Payable | 11,768,047 |
| Due to Third Parties | 758,149 |
| Payroll & Related | 4,115,658 |
| Other Current Liabilities | 2,302,829 |
| Current Portion -LT Debt | 2,119,712 |
| **Total Current Liabilities** | 24,064,395 |
| | |
| Long Term Liabilities | 2,927,631 |
| **Total Long Term Liabilities** | 2,927,631 |
| | |
| **LONG TERM DEBT** | |
| Notes Payable | 1,842,017 |
| Bonds Payable | 26,250,062 |
| **Total Long Term Debt** | 28,092,079 |
| | |
| **Total Liabilities** | 55,084,105 |
| | |
| **EQUITY** | |
| Fund Equity | 33,068,084 |
| Equity--Prior Year | (7,993,433) |
| Permanently Restricted Assets | 6,324,782 |
| Reserve for Pension/Other | 1,497,903 |
| Net Income(Loss)--Current Year | (1,743,588) |
| **Total Equity** | 31,153,749 |
| | |
| **TOTAL LIAB & FUND EQUITY** | 86,237,854 |

# Grays Harbor Community Hospital
## Consolidated Income Statement
## 02/28/2018

| | Month | Month Budget | Variance | % Variance |
|---|---|---|---|---|
| **Revenues** | | | | |
| Inpatient Revenue | 9,501,999 | 10,653,537 | (1,151,538) | -10.81% |
| Outpatient Revenue | 13,289,586 | 14,956,166 | (1,666,580) | -11.14% |
| ER Revenue | 6,452,278 | 6,936,509 | (484,231) | -6.98% |
| Physician Revenue | 1,307,001 | 1,324,271 | (17,270) | -1.30% |
| Total Revenue | 30,550,864 | 33,870,483 | (3,319,619) | -9.80% |
| **Revenue Deductions** | | | | |
| Bad Debt | 1,031,613 | 511,727 | 519,886 | 101.59% |
| Charity | 3,549 | 73,293 | (69,744) | -95.16% |
| Other Deductions | 22,190,479 | 24,891,252 | (2,700,773) | -10.85% |
| Total Revenue Deductic | 23,225,641 | 25,476,272 | (2,250,631) | -8.83% |
| Net Patient Revenue | 7,325,224 | 8,394,211 | (1,068,988) | -12.73% |
| Other Revenue | 306,712 | 278,627 | 28,085 | 10.08% |
| Net Operating Revenue | 7,631,936 | 8,672,837 | (1,040,903) | -12.00% |
| **Expenses** | | | | |
| Salaries | 3,423,394 | 3,149,161 | 274,233 | 8.71% |
| Benefits | 986,005 | 1,083,244 | (97,239) | -8.98% |
| Professional Fees | 1,083,722 | 1,087,588 | (3,866) | -0.36% |
| Supplies | 997,922 | 1,040,449 | (42,527) | -4.09% |
| Utilities | 82,664 | 94,273 | (11,609) | -12.31% |
| Purchased Services | 1,059,154 | 965,295 | 93,859 | 9.72% |
| Agency | 78,840 | 116,290 | (37,450) | -32.20% |
| Depreciation | 284,663 | 324,205 | (39,542) | -12.20% |
| Rent/Lease | 54,963 | 122,269 | (67,306) | -55.05% |
| Other | 93,097 | 402,996 | (309,899) | -76.90% |
| Insurance | 163,693 | 95,832 | 67,861 | 70.81% |
| Interest | 147,808 | 147,528 | 280 | 0.19% |
| Total Expenses | 8,455,926 | 8,629,130 | (173,205) | -2.01% |
| Net Operating Income | (823,990) | 43,707 | (867,698) | -1985.26% |
| Operating Margin % | -10.80% | 0.50% | | |
| Non-Operating | (252,279) | 230,415 | (482,694) | -209.49% |
| Net Income | (1,076,268) | 274,122 | (1,350,390) | -492.62% |
| Net Income Margin % | -14.10% | 3.16% | | |

**GRAYS HARBOR COMMUNITY HOSPITAL**
**BOARD OF DIRECTORS REGULAR MEETING**
**February 27, 2018**

**COMMISSIONERS PRESENT**
Michael Bruce, District 2
Miles Longenbaugh, District 3
Melanie Sturgeon, At Large 2
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

**OTHERS PRESENT**
Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH
Members of the Public

**ABSENT**
Andrew Bickar, District 4

## BOARD EDUCATION

Navigant Consulting representatives provided a presentation on Navigant Consulting - understanding the situation; proposed areas of focus; high-level timeline; and next steps in order to not just survive, but to thrive (see presentation slides for details).

- John Klare, Managing Director Healthcare
- Jodi Mansfield, LFACHE, Chief Transformation Officer
- Asli Kayaalp, Managing Consultant

## CALL TO ORDER

President Welch called the meeting to order at 1:17p.

Absences
Commissioner Bickar provided notice that he would not be in attendance during today's meeting.

**Action**: A motion was made by Commissioner Torgerson, seconded by Commissioner Bruce, and unanimously carried to approve Commissioners Bickar's absence.

Public Comment – Agenda Topics
President Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

## CONSENT AGENDA

Submitted under the Consent Agenda were:

- Hospital Board Minutes; January 23, 2018
- Board Quality Minutes; January 16, 2018
- Board Finance Minutes; January 18, 2018

**ACTION**: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Sturgeon and unanimously carried to approve the Consent Agenda.

**BOARD DISCUSSION AND ACTION**

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Desiree Crane, DO, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Bruce, and unanimously carried to approve reappointment of Jennifer Flannery, PA-C, as an Allied Health Professional for a period of two years in the Specialty of Emergency Medicine.

**ACTION**: A motion was made by Commissioner Longenbuagh, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Robert Gilbert, MD, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of John Jacobson, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Alysia Privrat, PA-C, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Delores Gries, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Sturgeon, and unanimously carried to approve appointment of Archana Jayaram, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Sturgeon, seconded by Commissioner Torgerson , and unanimously carried to approve appointment of Michael Kuluz, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Khawar Mohsini, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Bruce, and unanimously carried to approve appointment of Serena Scott, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Bruce, and unanimously carried to approve reappointment of Mel Strange, MD, as Active Emeritus Staff for a period of two years in the Specialty of Family Practice.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Bruce, and unanimously carried to approve appointment of Cherrie Tan-Dy, MD, as Provisional Staff for a period of two years in the Specialty of Pediatrics/neonatology.

**ACTION**: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Bruce, and unanimously carried to approve reappointment of Fen Jiang, MD, PhD, as Courtesy Staff for a period of two years in the Specialty of Medical Oncology.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Sturgeon, and unanimously carried to approve reappointment of Anne Marie Wong, MD, as Active Staff for a period of two years in the Specialty of Internal Medicine.

**ACTION**: A motion was made by Commissioner Bruce, seconded by Commissioner Sturgeon, and unanimously carried to approve appointment of Steven Lis, MD, as Provisional Emeritus Staff for a period of two years in the Specialty of Telradiology.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Sturgeon, and unanimously carried to approve appointment of Nghi Lu, MD, as Provisional Emeritus Staff for a period of two years in the Specialty of Telradiology.

**ACTION**: A motion was made by Commissioner Bruce, seconded by Commissioner Longenbaugh , and unanimously carried to approve reappointment of Carmell Bond, DA, as Allied Health Professional for a period of two years in the Specialty of Dental Assistant.

**ACTION**: A motion was made by Commissioner Walsh, seconded by Commissioner Sturgeon, and unanimously carried to approve reappointment of Kathleen Brix, RNFA, as an Allied Health Professional for a period of two years in the Specialty of Surgery.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Gregory May, MD, as Active Staff for a period of two years in the Specialty of Orthopedic Surgery.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Bruce, and unanimously carried that Brian Fox, DO, be approved for the additional privileges of Wound Care with Hyperbaric Management.

Resignations were noted for:

- Christopher Jones, PA in the Specialty of Emergency Medicine
- Binta Tambedou, PA-C in the Specialty of IM/Hospitalist

## CHAIRMAN'S REPORT

The Annual Board Education has been scheduled for April 18-20 at Harmony Hills Retreat Center. Circulated was a listing of Board Conferences for board members to confirm their participation.

## COMMITTEE REPORTS

### Board Quality Report

Commissioner Walsh provided report on the February Board Quality Committee meeting, with information encompassing:

- A patient attended the Committee meeting to share about her patient experience related to customer service. She also volunteered to provide a patient perspective whenever new service lines are being developed. A provider also shared his experience with other larger health systems and emphasized the importance of excellent customer service.
- The Sepsis Committee is working through the final stages of the Sepsis Order Set.
- ED Operations; There was an increase in patient volumes in January; however, remains lower than January 2016. Continue to form the ED Throughput Team. There are now enough mid-levels in the ED to run a trial on treating patients in triage who do not need a bed in the ED. Lora Moore, CCU Director, is now the ED Interim Director, and along with Arthur Andrews, Clinical Program Manager, both are keeping processes moving forward smoothly. Changes in staffing models is anticipated to help decrease Left Without Being Seen, and to decrease the time for inpatient admits. The greatest number of complaints regarding Left Without Being Seen is related to the wait time. Improvements are being noted as data is now being provided and reviewed with staff.
- Sepsis Quality Report; Noted, was a slight decline over last couple of months in bundle compliance. Cases have been reviewed and patterns identified that need to be addressed. Cases will be forwarded to QUR. Many cases are due to lack of documentation and missed timelines, based on the level of sepsis. Exploring with providers, the removal of general antibiotic indicator use. Repeat lactic acid levels are being addressed with providers before being entered in the electronic system. Multiple other hospitals have communicated that the sepsis order sets have shown no improvement after being implemented.
- Nursing Outcomes Report; The Interim Pharmacy Director is establishing patient rounding and consultations by pharmacists. Care transition continues to be challenging. In light of financials, it has been difficult to identify an affordable, best practice consultant to assist in developing a Case Management Program. A committee is being formed to begin initiation of case management.
- Quality Report; No new adverse events have been reported since August. Continue to conduct Root Cause Analysis on safe practices in the ED related to violent patients. De-Escalation education for staff continues. Timely Reporting of Critical Tests continues to be challenging due to staff fatigue related to the amount of calls being made. Whenever a grievance involves multiple individuals and requires additional research, it is challenging to obtain the goal of closing the grievance within 7 days. The Patient Advocate position is

posted; however, more information on productivity is needed from Navigant consultants. Exceptional metric outcomes have been noted with Early Elective Deliveries. In relation to Value Based Purchasing, Quality of care measures and finances are linked - how well the hospital does in 2018, will impact reimbursement in 2020. The Department of Health and The JC are due back in 2019. A new electronic tool, Tracers with Amp, has been rolled out in order to better assess systems and processes, and to raise staff awareness of the requirements.

- DOH Audit Report; Overall, audits are showing favorable results. Ms. Brandt spent time on the units Friday evening, and noted that staff are doing a really good job in meeting compliance related to patients in isolation, especially given the frequency in which staff have to gown-up and wash their hands. The History and Physicals process of gathering information has changed, and outcomes are being examined by provider. No trends have been noted.
- IC Report; There were no Surgical Site Infections in December and only four in November. GHCH is doing better than most hospitals and is below the benchmark of 1%. There was only one Catheter Associated Urinary Tract Infection reported in January. There have been no Central Line Blood Stream Infections since October 2016. GHCH is among four other hospitals in WA State who are able to report no infections. Implementation of high flow oxygen has dropped ventilator use by 50%. Only one C-Difficile Case was reported in December. MRSA Blood Cultures continues to drop, and most often are community acquired. Staff Influenza compliance is almost at 97%. Antibiogram is a method of identifying the organisms seen in GH County and which antibiotics are most effective for those organisms. The antibiogram is used to determine initial antibiotic use. Information will then be outlined on a laminated pocket card and provided to local providers.
- Blood Use; Appropriate Blood Use came in at 100% for all of 2017. There were no Transfusion Reactions in 2017. Blood Wastage compliance is very good. Only one incident occurred in November.
- PI Report; A listing of 2017 departmental PI projects, including those rolling over into 2018, was submitted for review.
- UR; Length of stays have increased, yet the total number of patients have significantly decreased. Documentation has not been validating the length of stays based on how sick patient are, which is being shared with providers. A Denials Workgroup is being formed via Patient Accounts. There have been 23 readmissions since January. The most common diagnosis-related readmissions are sepsis, hypertension with complications and respiratory failure, CHF, COPD.

  CipherHealth Discharge Phone Calls; July – December 2017, there were 1,365 patients called; 76% engaged with the call; and 181 inpatient issues were addressed. There were 677 patients who were reached, of which 3.7% (25) were readmitted; while 688 patients were unreached, of which 5.8% (40) were readmitted. Patients with specific diagnosis receive four calls over a 30-day period, in order to help address issues and potentially avoid readmissions.
- Policies were reviewed and approved; COM014 Fraud and Abuse and QUR300 Risk Management Plan.

Commissioner Welch commended efforts in reducing the Door to Doc Times from to an average of 31 minutes.

Commissioner Torgerson and Walsh emphasized the importance of CipherHealth Discharge Phone Calls having a positive impact on readmissions, as staff can provide guidance to patients on any follow-up care issues.

Commissioner Welch was complimentary of the Surgical Site Infection outcomes and GHCH achieving less than national state averages.

**Board Finance Report**

Commissioner Torgerson provided report on the February Board Finance Committee meeting, with information encompassing:

December financials were reviewed; however, are not finalized from the audit.

- Acute Admits; 25% reduction for the month; 22% from last year.
- Adjusted Admissions; down 38% for the month and 21% from last year.
- Outpatient Registrations; down 16% for the month and 11% from last year.
- ED Visits; down 14% for the month and 20% from last year.
- Days Cash on Hand; hovering at 37 days.
- Accounts Receivables; elevated in the range of 60-70 days over the last couple of months.
- FTEs; hovering at 635 for the year.
- Average Daily Census; averaging about 25-30.
- Surgery Minutes/Cases; holiday vacations negatively impacted outcomes as compared to the budget.
- Clinical RVU's; up around 7500.
- Between all four entities, the organization lost $1.9M, with salaries, benefits, and agency staff being the drivers on the expense side. There was also a reduction in Net Patient Revenue related to reduced inpatient/outpatient volumes.
- Consolidated year-to-date, the organization experienced an $8M loss, reflecting $3.1M on the Hospital side and HMG making up the remaining loss.

January Financials were reviewed.

- Acute Patient Days; down 17% for the month and 19% from last year.
- ED Visits; down 10% for the month and 5% from last year.
- Surgical Cases/Minutes; continue below budget.
- FTE's; down to 622 from budget of 633.
- Days Cash on Hand; continue trending downward.
- Days Revenue in A/R continue upward trend.
- Average Daily Census has crept up.
- Outpatient Registrations and ED visits; have improved from Q4 2017; however, continue to be below target.
- Payer Mix; 75-78% government payers and the rest is commercial.
- Agency staff; significant improvements made in reducing dependency on agency staff.
- Days Cash on Hand; continued to decline. However, since outsourcing Patient Accounts, effective January 15th, cash collections have seen significant improvement – 4th Quarter 2017 yielded $250/$275k a day; in the last two weeks, collections are averaging $300/$350k a day, with additional increases anticipated.
- Board Designated Assets; In February, another $1m was liquidated.
- Consolidated Income Statement; the organization experienced a $667,320 loss. Gains were noted with the GHCH Foundation and Hospital District.

Bond Covenants:

- The Cushion Ratio and Liquidity Ratio (days cash on hand) came in at 38.14 year-end 2017 and dipped to 36.74 in January; well below the targeted 60.
- The ability to positively adjust the expense model is anticipated as productivity efforts are undertaken, A/R improves, and agency is reduced.

Sole Community Hospital Budget Proviso:

- Mr. Jensen reported that if the Proviso is passed in legislation, it will go to the Governor's office on March 9th; however, the 150% Medicaid reimbursement won't be realized until July/August. Efforts will be undertaken to have the three year budget proviso signed into law next year.

Rural Health Clinics:

- Mr. Jensen reported that revenue generate from the Rural Health Clinics will not be realized until third quarter of 2019.

CPE Program:

- Mr. Vessey brought forward that in 2014, he worked with the Healthcare Authority to rewrite Washington's Administrative Code, which allows hospitals the opportunity to opt in or out of the CPE Program (cost based reimbursement). GHCH's decision to opt out of CPE resulted in a $3M financial benefit. While the CPE Program is losing money, GHCH is picking up 25% on the fee schedule. Mr. Vessey stressed that it is imperative that the hospital opt out annually at the end of June.

Policy Approval:
Submitted and recommended for Board approval by Board Quality and Board Finance, was the revised COM014 Fraud and Abuse policy. The policy outlines compliance with regulatory requirements as recommended through legal review.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Bruce and unanimously carried to approve COM014 Fraud and Abuse policy.

Board / Committee Meetings:
Commissioner Torgerson brought forward the recommendation by Board Finance that the Board Committee/Board meetings be rescheduled as follows:

- March – Board mtgs. to be rescheduled to Monday, the 26th at 1:00. No changes to Board Finance.
- April – Due to Board Annual Education, Board Finance will be rescheduled to Tuesday, the 24th; and the Board mtgs. Moved to 6:00p vs. 1:00p.
- June – Due to the Chelan Rural Conference, the Board mtgs. will be rescheduled to the 21st at 6:00p. No changes to Board Finance.
- December – Due to Christmas, the Board mtgs. will be rescheduled to the 20th at 6:00p. No changes to Board Finance.

**ACTION**: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh and unanimously carried that the Board Committee/Board meetings be rescheduled as aforementioned.

## ADMINISTRATION

Executive Suite Summary Report
Submitted was the Executive Suite Summary for February.

- Jared Bratten, Clinical Informatics Nurse, was named the Lighting the Way Legend for 2017, from among 12 of his Beacon Award winner peers.
- Sole Community Hospital Proviso; Mr. Jensen reported that the hospital will not realize an increase in cash until mid-August first of September. Work will be undertaken to change the proviso into a permanent law next year.

Commissioner Longenbaugh inquired about the City of Aberdeen Jail services. Mr. Jensen brought forward that Commissioner Torgerson initiated discussion with the hospital about services when he was acting Chief of Police. Patrick Paulsen, PA-C, is providing medical assessments and care to inmates in order to avoid an unnecessary trip to the ED, which financially benefits both organizations. King County successfully implemented this same type of program.

**OLD BUSINESS**

Non-Board Member Committee Membership
It was decided the topic will be discussed during the Board Annual Education.

Revised Agenda Approval Process
Commissioner Bruce recommended and it was agreed that the topic be discussed during the Board Annual Education.

**NEW BUSINESS**

None

**GOOD OF THE ORDER**

None

**PUBLIC COMMENT** – General
President Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

**ADJOURNMENT**

Commissioner Welch reminded Commissioners that the next meeting will be held on Monday - March 26 at 1:00p in Room C.

The meeting adjourned at 2:17p

**APPROVED AND ADOPTED THIS 26th day of March, 2018.**

**ATTEST:**

Teresa Ramirez
Recording Secretary

Commissioner Robert Torgerson
Secretary