April 14, 2014

The regular meeting of the Board of Commissioners of the Whidbey Island Public Hospital District was called to order at 7:00 am by Board President, Anne Tarrant. Present were President Tarrant; Commissioner Wallin; Commissioner Cammermeyer; Commissioner Gardner; Commissioner Fey; Chief Executive Officer, Tom Tomasino; Chief Operating Officer, Hank Hanigan; Chief Nursing Officer, Linda Gipson; Chief Financial Officer, Terry Litke; Attorney, Dale Roundy; and several other hospital staff.

Points of Order

None

Consent Agenda

A) March 10, 2014 Regular Board meeting minutes & Approval of Monthly Write-Offs & Vouchers & Surplus items.

President Tarrant called for a motion to approve the minutes of the March 10, 2014 regular Board Meeting minutes and vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the Board. #176474 to #177288 and #3168 to #3176 in the total amount of $7,911,625.11, with Capital equipment vouchers in the amount of $27,292.87, therefore the vouchers are approved for payment in the amount of $7,938,917.98. Declaration of Surplus items as listed on handout. Commissioner Gardner made a motion, seconded by Commissioner Cammermeyer to approve all items as presented. Motion carried.

Education

A) Question # 5 How does the Board ensure strong and effective leadership?

Commissioner Cammermeyer stated the Board ensures strong and effective leadership with the following:

- Clear and consistent communication
- Adherence to well-defined roles and responsibilities
- Clear CEO performance expectations and accountabilities
- Responsible compensation assessment policies and procedures

Commissioner Cammermeyer stated building trust with mutual support, consultation and advising each other are key factors and compliment one another's strengths and responsibilities on our Board. Being in the healthcare business previously helps with communicating within our Board and to the CEO. Creating mutual success is our goal and we have a unique fiduciary responsibility of the taxpayers. Commissioner Cammermeyer stated we can create success with individual meetings with the CEO to help ensure Board leadership and our Board meetings are open to the public to attend to help further our community support. Attorney Dale Roundy stated in the Board meeting detail, they are some exceptions. Executive session discussions must have a reason and executive session is closed to the public.

Commissioner Cammermeyer stated she feels the Board should have a periodic evaluation instead of an annual evaluation. This will help to ensure our Board to address concerns if any and help better leadership and become more effective in executive leadership roles. President Tarrant suggested goals and objectives for next year will be discussed at the next leadership meeting. President Tarrant thanked Commissioner Cammermeyer and stated the next education question #6 will be presented by Commissioner Gardner.

Public Questions or Comments on Agenda Items

None

Quality

Teresa Fulton, CQO recognized the North and the South clinics for their participation in two pilot programs; Pay for performance for Preventative Care Measures and Reducing ER visits. In the pay for performance group our north and south were the top 2 performers. We are competing with bigger hospitals like; Everett, Cascade and Skagit clinics. If we improve scores such as increase in mammograms, then this rewards Group health as a provider and then we get a bonus from Group health. We are getting our providers aware of generic offerings through Group Health and this is based through preventive medicine. Teresa Fulton, CQO stated we have enrolled our other clinics in these studies for future.

Patient Safety

Linda Gipson, CNO reported we are completing permanent positions with Sound Physicians; Dr. Rangel has accepted the Medical Director position and will begin on August 1. Dr. Benjamin Huneycutt has been the Interim Medical Director. The Navy has performed surgical cases and this has gone very well and communication is going well. We are redoing the block times and our staff has been very supportive. Dave Bieniek our chaplain has been holding a Living with Loss class that has gone very well. Maestro is in effect for Home Health and Hospice, this is huge program that we have implemented. Linda Gipson, CNO stated she attended the awards ceremony for Commissioner Cammermeyer in Seattle and thanked Commissioner Cammermeyer for all of her nursing years. Linda Gipson, CNO stated the hospice accreditation will include questions for the board to answer. President Tarrant stated she will send the questions to the board.

Medical Staff Report

A. Chief of Staff Report

Dr. Gabe Barrio, Chief of staff reported the following active staff reappointments:

Robert W. Johnson, MD	Active Staff Reappointment
Manuel L. Lozano, DO	Active Staff Reappointment
Judye A. Scheidt, DO	Active Staff Reappointment
Tony C. Bartley, MD	Active Staff Reappointment

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the active staff reappointments as presented. Motion carried.

Dr. Gabe Barrio, Chief of staff reported the following courtesy staff reappointments:

Mark E. Coughenour, MD	Courtesy Staff Reappointment
Martin Heisen, MD	Courtesy Staff Reappointment
Mark G. Koenig, MD	Courtesy Staff Reappointment

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the courtesy staff reappointments as presented. Motion carried.

Dr. Gabe Barrio, Chief of staff reported the following allied health professional staff reappointments:

Edward O. Fleming, CRNA	Allied Health Professional Staff Reappointment
Patricia L. Stanwood, CRNA	Allied Health Professional Staff Reappointment

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the allied health professional staff reappointments as presented. Motion carried.

Dr. Gabe Barrio, Chief of staff reported the following courtesy staff appointments – Navy:

Michael R. Ancona, DO	Courtesy Staff Appointment
Catherine A. Borja, MD	Courtesy Staff Appointment
Toinette O.N. Chin, MD	Courtesy Staff Appointment
Michael D. Kazel, DO	Courtesy Staff Appointment
Jennifer M. Reem, DO	Courtesy Staff Appointment
Charles, J. Siegert, MD	Courtesy Staff Appointment

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the courtesy staff appointments as presented. Motion carried.

Dr. Gabe Barrio, Chief of staff reported the following allied health professional staff appointments:

Timothy W. Hall, CRNA	Allied Health Professional Staff Appointment
Jessica M. Pipkin, CRNA	Allied Health Professional Staff Appointment
Shawn W. Pyle, CRNA	Allied Health Professional Staff Appointment

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the allied health professional staff appointments as presented. Motion carried.

Dr. Gabe Barrio, Chief of Staff reported the following resignation:

- Mary Hegard, MD, Emergency Medicine

Dr. Gabe Barrio, Chief of Staff presented the Privilege Request form for military nurse anesthetist core privilege form for nurse anesthetist. This form was approved by the medical staff and asking for board approval.

Commissioner Cammermeyer made a motion, seconded by Commissioner Fey to approve the form as presented. Motion carried.

Dr. Gabe Barrio, Chief of staff reported he had recently attended a credential committee meeting and enjoyed the learning experience.

Individual Items

A. Administrative Update

Tom Tomasino, CEO reported when we started looking at anesthesia services our physicians did not want the CRNA model for anesthesia and we contracted an all MD anesthesia group. We have asked for request for proposals (RFP) from CRNA and physician anesthesia service groups. We have reviewed both type of models, all physician or 2 physician and 2 CRNA's, this will be discussed with the medical staff for the future. Dr. Barrio stated we have outstanding CRNA's on staff now. Tom Tomasino stated we are reviewing and will take 120 days and then we will push forward to a new anesthesia group. Dr. John Hassapis has accepted employment for the surgeon position and will be here in late July. We have hired another physician to join Whidbey Community Physicians, James Wind, MD. Tom Tomasino, CEO stated he and Teresa Fulton, CQO met with orthopedic surgeons and they have alleviated their frustrations with the electronic health record. Valic a retirement fund that we use has had an information breach and those employees that were affected here at WGH will receive a notice. Valic has offered a year of free credit monitoring for the affected employees. Tom Tomasino, CEO stated the Heart bleed virus will not affect us we are secure. The employee survey results are in and we will be meeting this week with GMA Research to discuss. This was a successful survey and the results will be available at the next Board meeting.

B. GE Centricity

Teresa Fulton, CQO reported we are continuing implementing Centricity. The first step is the upgrade and patients demographic. We have created a database with patient information that will flow from our primary care clinics to Centricity. We will be able to attest at Island Women's Healthcare for meaningful use this year. We need to be implemented at the hospital by October 1 of this year or we will be fined. They are penalties that we are trying to avoid, Tom Tomasino, CEO stated this was a requirement by the government to implement this program and stated the system cost, $360,000 is the same as the cost as the fines if not implemented. Teresa Fulton, CQO is asking for a motion to approve the cost of the program to attest to meaningful use.

Commissioner Cammermeyer made a motion, seconded by Commissioner Gardner to approve. Motion carried.

Board Items

A. Leadership Retreat

President Tarrant noted a reminder for the Leadership retreat to be held tomorrow in Freeland. Leadership Retreat will be held on April 15 at the Wi Fire Conference Center in Freeland. President Tarrant reported that she, Tom Tomasino, CEO and Linda Gipson, CNO will be attending the Annual Patient Safety Summit on May 1.

Staff and Status Reports from Administration

A. Administrator's Report

Tom Tomasino, CEO reported a few items needing discussion. Our staff has done a great job with the Affordable Health Care Act and helping to sign up applicants. We have signed up 136 people. The financial impact has been positive for our organization. Meditech has an upgrade that 6.07 upgrade and CPOE at the same time, CPOE will be put on hold to get a firm grounding of CPOE first. Due to the upgrade it may make 6 hours or 6 weeks to complete. We have to attend a meeting to present a construction review presentation to the state. A decision will be made after the presentation on May 22, those attending will be myself, HDR Architects, Marc Estvold and Hank Hanigan.

Commissioner Gardner stated that CADA President Marjorie Porter is retiring and had been a big part in creating the SANE training for the nurse's. Tom Tomasino, CEO stated Marjorie will be missed. Commissioner Fey stated Marjorie Porter has done amazing things for our community.

Dr. Gabe Barrio, Chief of Staff left the meeting at 8:29 am.

B. Financial Report

Terry Litke, CFO reported managers and staff have done an excellent job of controlling expenses, yet finances remain a challenge. February was not a bad month with gross patient revenues just under 15 million and contractual adjustments just over 9 million. This left 5.9 million in net patient revenue. Add the 790K of tax levy receipts and other revenue and our operating revenue was 6.7 million. Our expenses were under budget but still exceeded our revenue by 477K. It is tough to take a loss of 477K when we managed expenses appropriately and had good revenue. Normally that would have been enough but there are a couple of items that negatively affected our bottom line - 1) Contractual Reimbursement. After reviewing our 2013 financials, external auditor Moss Adams recommended a change in our contractual withholdings, from 54% of gross patient receivables to 60%. This reduced our available Net Patient Revenue. Moss Adams recommended this because under sequestration we are experiencing a 2% reduction in payments from government payers who comprise approximately 51% of our revenue source. 2) Account Aging. During Meditech go-live we experienced significant difficulties in our revenue cycle, with statements and bills not getting out to patients and providers in a timely manner. When we resolved the issues, accounts were already several months old. The older the account, the more difficult it can be to collect, so Moss Adams also recommended that we should make allowance for that. Those two items are driving contractual withholding higher, reducing available net revenue. The last item affecting our finance is the line of credit we opened to help us through our Meditech revenue cycle issues. We have been paying that back and closed that account with a $600K payment in March. With that debt resolved, we should be in a position to build up our cash reserves again. We are currently at 9.4 days with a goal of 60 days. We have a long way to go but I am confident we will get there again. Terry Litke, CFO is asking for approval for the 2014 budget. After board review, President Tarrant stated this needs to be revised and go back to Finance committee and the Board has moved to table this budget until the next Finance committee and then back to the next Board meeting. Commissioner Gardner made a motion, seconded by Commissioner Fey. Motion carried.

C. Review of Dashboard Report

Tom Tomasino, CEO asked if there are any questions in the dashboard. Tom stated the patient comments are not justifying the scores. Our reputation is improving and we are providing the care needed. Tom stated he talked with a patient and they were here for days and had amazing care except for 1 person and we need to hold people accountable.

Agenda Items for next Board meeting

President Tarrant asked for a Foundation report quarterly and if anyone has any items for the next agenda to please contact President Tarrant or Tom Tomasino, CEO.

General Public Comments

None

Other

Hank Hanigan, COO reported a full land survey has been performed and the architects will meet and then move forward. This part will be complete at the end of April. Marc Estvold our Project Manager will present quarterly at the Board meetings.

President Tarrant asked if the Board felt the meeting was efficient and whether there were any improvements to be made, there were none, they were none noted in the meeting.

Adjournment

There being no further business, President Tarrant called for a motion to adjourn. Commissioner Gardner made a motion, seconded by Commissioner Cammermeyer to adjourn the meeting at 8:50 am. Motion carried.