

May 11, 2009

The regular meeting of the Board of Commissioners of Whidbey Island Public Hospital District was called to order at 6:00 p.m. by Board President, Roger Case, M.D. Present were President Case, Commissioner Wallin, Commissioner Zaveruha, Commissioner Tarrant, and Commissioner Cammermeyer. Interim Chief Executive Officer, Tom Tomasino; Chief Financial Officer, Joe Vessey; Chief Nurse Executive, John Bitting; Dale Roundy, Esq.; Chief of Staff, Bruce Waterman, M.D.; and many hospital and medical staff, as well as community members were also present. Reporter Sue Ellen White from the Whidbey Examiner also attended. Mr. Jim Riney of Riney Productions was present to electronically record the meeting.

President Case asked if there were any points of order to discuss, of which there were none.

### **Minute Approval**

The minutes from the April 13, 2009 Board Meeting were approved as presented.

### **Public Questions or Comments**

There were none.

### **Education**

Beth Stout, Director of Patient Financial Services introduced Cheryl Arndt, the Patient Registration Manager, who has worked at the Whidbey General Hospital for 28 years and Kelly Bullington from Admitting who has worked at the hospital for 2 years. Ms. Arndt and Ms. Bullington presented a power point describing Patient Registration procedures at the hospital. As patients enter the hospital they are greeted at "The Round" 24 hours a day by either our volunteers who work Monday through Friday, 9:00 am to 3:00 pm or Patient Registration Staff. Patient Registration strives to provide the highest level of quality customer/patient service each and every time. Almost every patient that seeks services from Whidbey General (on site or at satellite offices) is registered through Patient Registration, either in person or over the phone, where patient demographics and financial information is collected including address, phone numbers, emergency contacts, insurance information, primary care doctor information, accident related information, etc. The information collected is used in various ways to ensure quality customer service, patient privacy, coordinating transfer care for patients, accurate billing and compliance with HIPAA guidelines. Patient Registration volume has increased immensely in the last 12 years. In 1996, 8,287 guests were registered for the Emergency Room and 42,112 guests were registered for inpatient and outpatient services. By comparison, in 2008, 18,756 guests were registered for the Emergency Room and 130,410 were registered for inpatient and outpatient services. The first voice of Patient Registration is the Hospital Operator, Virginia, who handles the hospital switchboard from 7:00 am through 3:30 pm and additionally assists accounts payable with balancing cash, check and credit card payments. Another important role of Patient Registration is the insurance verifier who is a liaison between insurance companies, patients and the hospital. The liaison assures that all required referrals and authorizations are in place for inpatient and outpatient tests and procedures. The Financial Advocate, another critical piece of the puzzle, works with underinsured and uninsured patients. The advocate is able to help identify programs that patients may be eligible for, to help them with the cost associated with hospital care. The goals that we have in Patient Registration are as follows:

- Show compassion for each person you come in contact with, whether it is a nurse on the floor, a co-worker from another department, a distraught family member of a patient.
- Connect with people in a personal and memorable way by giving of yourself.
- Be committed enough to do whatever it takes every day, and do it permanently, not just in short bursts.
- People will forget what you said or what you did, but people will never forget how you made them feel.
- Be the person and role model you expect others to be.

Tom Tomasino asked what the greatest challenges are in the registration process. Ms. Arndt stated that "they keep coming!" Patient registration used to be a less complex process. Insurance information was collected, the bill was sent and the bill was paid. Now issues are more complex including mitigating ID theft and identifying those that need financial assistance.

### **Quality and Patient Safety**

Nothing to report

### **Medical Staff Report**

Dr. Bruce Waterman, Chief of Staff, presented the following appointments and reappointments for approval:

John A. Sherman, M.D. – Active Staff Reappointment  
Tracy L. Nimmerrichter-Burgess, M.D. – Active Staff Reappointment  
C.J. Kuan, M.D. – Courtesy Staff Reappointment  
Edward J. Lee, M.D. – Courtesy Staff Reappointment  
David A. Alexander, M.D. – Courtesy Staff Reappointment  
Robert Hawkins, M.D. – Courtesy Staff Reappointment  
Edwin J. Yau, M.D. – Courtesy Staff Appointment  
Carter F. Yeatman, M.D. – Courtesy Staff Appointment  
M. Colette Chandler-Cramer, PA-C – Allied Health Professional Staff Reappointment

Commissioner Wallin made a motion, seconded by Commissioner Zaveruha to approve the medical staff appointments and reappointments as presented. Motion carried after some discussion about whether compliance training should be part of the credentialing process or the contract with individual physicians.

### **Individual Items**

#### A. Washington State Budget update

Joe Vessey reported that the Washington State budget will cut a variety of different programs some of which will affect Whidbey General Hospital. Many of the DSH payments are being eliminated. The estimated impact to the hospital over the next two years is about \$750,000 which is about 11% of the bottom line. Not included in that is the reduction of enhancement payments to Rural Health Centers. Mr. Vessey is not sure of the specific impact to the hospital yet because the State has not fully outlined these cuts, but the impact state wide is expected to be about 62 million and the impact to the hospital is estimated to be significant. Tom Tomasino stated that the reduction in Nursing Home rates and Mental Health funds will both have an impact as the placement of patients will become more difficult. This impact will be difficult to quantify. Joe Vessey stated that despite the economic factors we are facing we have not had to do what many other hospitals have done including layoffs and furlough days or closing clinical programs. He is proud of the staff of the hospital with the successful implementation of our "good sense strategies".

Tom Tomasino stated that discussion about the economy and the hospital's bottom line leads into discussion about Whidbey General South. Whidbey General South is a very important part of the hospital's vision. Every option has been looked at but each one has financial challenges especially in light of the current economy. The hospital needs to look at other ways of moving this project forward without burdening the hospital's bottom line. This should be part of our Strategic Planning. The property that the hospital owns on the South End that would be sold to help finance this project has not maintained its value due to the economic downturn and asking the tax payers for additional funds at this time is also a difficult task. Commissioner Cammermeyer commented that we need to be prepared for an economic rebound and be ready to move forward with a bond when the timing is right. Tom Tomasino stated that we also need to be careful and not hinder our ability to also do the Med/Surg project at the hospital. Audience member, Laura Blankenship, a South End resident as well as a hospital employee, asked if the Med/Surg project was more important to the hospital then

Whidbey General South. Tom Tomasino stated that it was not, but somehow the hospital needs to find a way to complete both projects. Commissioner Tarrant asked if there is a date set for the next Strategic Planning Meeting. Tom Tomasino stated that the next meeting is planned for June 11<sup>th</sup>.

President Case asked if the problem with placement due to the state reductions in mental health treatment will affect our census. Tom Tomasino stated that we work to find proper placement for those with mental health issues. They generally stay in the Emergency Department until they are transferred because we don't have the resources to treat them. President Case stated the mental health reduction issue should be kept on the docket for Strategic Planning. A discussion was made regarding treatment facilities for mental health patients in our community. Dr. Waterman stated that we no longer have respite care facilities for these patients and having such a facility in our community would be of great benefit. Commissioner Cammermeyer asked if the hospital needs to look at providing respite care. Tom Tomasino stated that we need to look at what resources are available and how we can partner with other facilities rather than trying to do it ourselves.

B. Employee Handbook Update

Carolyn Pape presented the annual Employee Handbook update. Most of the changes center around the "leave" acts. Commissioner Cammermeyer requested that changes be made in italics in the future so that new and old can be identified. Commissioner Cammermeyer requested clarification of the paragraph on page 29 of the handbook that begins "Family Medical Leave for military..." The language is misleading as military "regulars" do not get "called up" but "deployed". Ms. Pape stated that she will look at that paragraph again and see if it needs clarification. Commissioner Wallin made a motion, seconded by Commissioner Tarrant to approve the changes in the employee handbook with a stipulation that Carolyn Pape review the paragraph in question. Motion carried.

C. SANE Program (Sexual Assault Nurse Examiner Program)

John Bitting stated that this has been a recent endeavor with CADA (Citizens Against Domestic & Sexual Abuse). Sixteen nurses from all areas of the hospital, not just the Emergency Department, volunteered to take part in SANE training and thirteen have completed the three day training that was provided by Harborview. We are still developing this program and working on our policies but we would like to get to the point where we don't have to send any of these patients off the island and increase the likelihood that the offenders will be prosecuted.

D. Anesthesia Recommendation

Dr. Waterman reported that the MEC Selection Committee heard proposals recently by two entities. Members of the committee scored both groups and after discussion the MEC recommends that we go forward with Penn Cove Associates. Dr. Waterman stated that we are not recommending individual providers but services. Within Penn Cove Associates the four providers are MDs but potentially these providers could also include Certified Nurse Anesthetists. Commissioner Cammermeyer made a motion, seconded by Commissioner Wallin to move ahead with this process. Motion carried.

E. Administrative Update

Tom Tomasino introduced John Bitting as the hospital's new Chief Nursing Officer. Mr. Tomasino also reported that Dr. Tong has stepped down as the Director of the Hospitalist program although she would like to continue on as a Hospitalist. In the interim Dr. Oakland has agreed to step into that role. Dr. Koo has stepped down from the Cancer Committee and Dr. Hoyt has accepted that position. Additionally, Dr. Zaveruha has volunteered to fulfill the requirements of the program as the surgeon. Tom Tomasino reported that the Employee Tea is scheduled for Wednesday, May 13<sup>th</sup> at 2:00 pm. and invited the Commissioners to attend. Seventy-three employees will be receiving awards. Carolyn Hago who works in the kitchen will be celebrating 30 years with the hospital. The Amy Ayers award will also be given.

**Board Items**

- A. CEO Selection Update  
The CEO selection committee which is made up of two doctors, two board members and three community members met with representatives from Korn-Ferry. Korn-Ferry screened thirty potential candidates and then narrowed the field to fourteen. The committee further narrowed the field down to seven. Korn-Ferry will be doing an assessment on those candidates which should narrow the field down to three or four. The next meeting of the CEO selection committee will be in about three weeks and at that time we will receive more input from Korn-Ferry.
- B. Finance Committee Report  
Commissioner Tarrant reported that the hospital is in a fairly strong position compared to many other hospitals. At the last Finance Committee meeting considerable time was spent discussing the State Budget. In addition long-term financing was discussed.
- C. Building Committee Report  
Commissioner Wallin reported that the EMS building is just about completed. This project began with the hiring of architects in April 2007. In September of 2008 the contract was awarded and the original completion date was set for August of 2009, but we are two months ahead of that schedule. Change orders have been minimal and have been held below 5% while normally with this kind of project you can expect 10%. The contractor is doing an excellent job and the Building Committee is pleased with the results. It is a very functional building and the tax payer dollars have been spent wisely. May 20<sup>th</sup> is the anticipated date for a walk-through with the architects and contractors and then any issues should be resolved by the end of May. We are anticipating a ribbon cutting ceremony and occupancy by the end of June. The project was completed for less money then originally anticipated.
- D. WSHA Safety Summit – May 7  
Commissioner Wall reported that this was an excellent meeting. Commissioner Tarrant stated that a lot of good ideas were presented that need to be discussed with administration including new programs to track some of our quality and safety issues. Commissioner Case stated that it would be beneficial if some of our medical staff attended this summit in the future. The summit highlighted the need to understand Patient Safety and the affect it has on individuals. Commissioner Tarrant stated that Boards of other hospitals sometimes bring in patients to testify to their experience as it relates to patient safety. Tom Tomasino stated that we could bring patients in to talk to the Board in the future.

**Staff and Status Reports from Administration**

- A. Administrator's Report  
Tom Tomasino stated that the topics in the Administrator's Report have already been discussed.
- B. Financial Report  
Joe Vessey introduced the March Financial Statements. The March balance sheet reflects 4.8 million in cash at the end of March as compared to 4.1 million at the end of February. Accounts receivable has improved by 6 days which basically means that we have sped up our rate of collections. Both awareness and cost containment has helped preserve our cash. The increase from February to March is pretty unique to this organization and to have cash increase on the eve of a levy receipt is a testament to the team. Everyone is doing a great job and Mr. Vessey hopes that this trend continues. The reserve reflected on line 23 is at 63.4% which is an increase form the prior year. This is due to charges being raised on January 1 which means that there is an increase in the portion that we won't collect and an increase in the volume of the charity and self-pays. Gross patient revenues are 3% over budget. Census was 16.5 on budget of 18. Volume was made up on hospital-based outpatient. March 2009 outpatient volume was 11% greater than March 2008. Self Pay is 12% over budget even after an increase in the budget of 42%. Adjustments to revenue are \$660,000 over budget which is a result of the current economy. Expenses have been contained fairly well and we are only .5% over budget which is mostly due to quarterly true-ups for PTO and for legal fees.

C. Review of Dashboard Report

Press Ganey Region 9 may not need to be included in the future. Medical error rate is very low. We need to discuss this further within Strategic Planning. We are making good progress on Productive FTE per AOB.

**Consent Agenda**

A. Surplus Equipment

Commissioner Cammermeyer requested clarification on this subject. Tom Tomasino stated that it is equipment that is broken, non-repairable, or past its useful life and is auctioned off. Commissioner Cammermeyer made a motion; seconded by Commissioner Tarrant to approve the declaration of surplus as presented. Motion carried.

B. Approval of Monthly Write-Offs and Vouchers

Vouchers audited and certified by the auditing officer as required by RCW 40.24.080, 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. Commissioner Wallin made a motion, seconded by Commissioner Cammermeyer, to approve the vouchers #124407 and #124634 in the total amount of \$13,289.44. Motion carried. Commissioner Zaveruha abstained from the review, discussion, vote and written approval of these vouchers due to a potential conflict of interest. Vouchers audited and certified by the auditing officer as required by RCW 40.24.080, 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. Commissioner Wallin made a motion, seconded by Commissioner Zaveruha to approve vouchers #124042 to #124916, and #1640 to #1655, excluding #124407 and #124634, in the total amount of \$6,074,821.36. Motion carried. Commissioner Wallin made a motion; seconded by Commissioner Cammermeyer to approve the write offs for April in the amount of \$328,048.39. Motion carried.

**Agenda Items for next Regular Board Session**

Commissioner Cammermeyer would like to report on her conversations with the community and would like to further discuss swing beds for the hospital if relevant financial advantage to the hospital.

There being no further business the meeting adjourned at 7:58 p.m.