

December 12, 2011

The regular meeting of the Board of Commissioners of the Whidbey Island Public Hospital District was called to order at 6:05 p.m. by Board President, Anne Tarrant. Present were President Tarrant, Commissioner Wallin, Commissioner Case, Commissioner Zaveruha, and Commissioner Cammermeyer. Chief Executive Officer, Tom Tomasino; Chief Financial Officer, Joe Vessey; Chief Operating Officer, Hank Hanigan; Chief Human Resources Officer, Carolyn Pape; Chief Quality Officer, Teresa Fulton; Chief Nursing Officer, Linda Gipson; Chief of Staff, Doug Langrock, MD; Attorney, Dale Roundy, and many hospital and medical staff, as well as community members were present. Jim Riney of Riney Productions was present to electronically record the meeting.

Points of Order

President Tarrant stated that the Oath of Office for the newly re-elected Commissioners would take place in January instead of at tonight's meeting. Commissioner Cammermeyer stated that she would like to share a letter that she received from a group of legislatures regarding the Critical Access Hospital funding cuts under Board Items.

CNO Introduction

Tom Tomasino introduced and welcomed Linda Gipson, Ph.D., RN, MSN, MBA, CLNC, NEA-BC, the new Chief Nursing Officer for Whidbey General Hospital.

Minute Approval

President Tarrant called for motions to approve the minutes from the November 14, 2011 regular board meeting and special board meeting. Commissioner Wallin made a motion, seconded by Commissioner Case, to approve the minutes from the November 14, 2011 regular board meeting as presented. Motion carried. Commissioner Wallin made a motion, seconded by Commissioner Case, to approve the minutes from the November 14, 2011 special board meeting as presented. Motion carried.

Education

LaJolla Peters presented the communication tool AIDET which stands for Acknowledge, Introduce, Duration, Explanation and Thank You. AIDET is one of the prescriptive To Do's on the Studer Healthcare flywheel. AIDET was first introduced to the WGH Leadership at the April 2011 LDI and then from June 2011 through August 2011 every employee was given training. In November 2011 the Hospitalists were also given AIDET training. AIDET has already had an impact on our HCAHPS results. We have moved from the 18th to the 34th percentile for "rate this hospital", and the 64th to the 74th percentile for "nurses listen carefully to you". We have reached the 90th percentile for pain management and the 93rd percentile for "staff does everything to help with pain". She gave many specific examples of how practicing the AIDET principles will have a positive affect on patients and the hospital. Ms. Peters presented a video that was made by hospital staff and volunteers showing how AIDET is actually used in the hospital. This new video will be shown in the Patients First Orientation for all new hospital employees.

Public Questions or Comments on Agenda Items

Tim McManus of Coupeville asked the Commissioners to consider installing a T-coil sound enhancement system in the conference rooms to help those with hearing impairment who use the conference rooms. The rooms are regularly used by the community and this kind of upgrade would be a benefit to the community. He thought that grant money might be available for such a project since this is an ADA issue.

Quality and Patient Safety

Teresa Fulton reported that the Diagnostic Imaging Work Team has been working on removing redundancies in the work process and they have saved one coder 30 minutes a day as a result. The OB Caesarian Action Team is working on a handoff communication tool for handoffs from

OB to surgery and then recovery to OB. Two new teams will be formed in January. One team will look at how we can reduce readmission rates and the other will look at the patient flow for the rural health clinics.

Medical Staff Report

A. Chief of Staff Report

Dr. Doug Langrock, Chief of Staff, presented the following medical staff reappointments:

Richard P. Goldstein, MD	Active Staff Reappointment
Christopher J. Bibby, MD	Active Staff Reappointment
Helen W. Lhamon, MD	Active Staff Reappointment
Nicholas M. Perera, MD	Active Staff Reappointment
Lee W. Roof, MD	Active Staff Reappointment
Haigh P. Fox, MD	Affiliate Active Staff Reappointment
Jochen F. Dwersteg, MD	Courtesy Staff Reappointment
Terry J. Lee, MD	Courtesy Staff Reappointment
Tobae G. McDuff, MD	Courtesy Staff Reappointment
Leon B. Stratton, MD	Courtesy Staff Reappointment
Paula. B. Shah-Hallam, MD	Courtesy Staff Reappointment
Ying M. Wang, MD	Courtesy Staff Reappointment

Commissioner Case made a motion, seconded by Commissioner Cammermeyer to approve the medical staff reappointments as presented. Motion carried. Dr. Langrock presented the following medical staff appointments:

Susan C. Wetstone, MD	Provisional Courtesy Staff Appointment
Erik M. Borgnes, MD	Provisional Courtesy Staff Appointment
William Bradley Jones, MD	Provisional Courtesy Staff Appointment

Commissioner Case made a motion, seconded by Commissioner Cammermeyer to approve the medical staff appointments as presented. Motion carried. Dr. Langrock presented the following Allied Health Professional reappointments:

Toni M. Marthaller-Anderson, ARNP	Allied Health Professional
Paul Aaron Barlund, PA-C	Allied Health Professional

Commissioner Case made a motion, seconded by Commissioner Cammermeyer to approve the Allied Health Professional reappointments as presented. Motion carried. Dr. Langrock presented a change to the Medical Records section of the Medical Staff Rules and Regulations that had already been approved by the Medical Staff. This change centered on the acceptance of ventilator and oxygen orders by registered respiratory therapists. Commissioner Case made a motion, seconded by Commissioner Cammermeyer, to accept the changes to the medical records section of the Medical Staff Rules and Regulations. Motion carried.

Individual Items

A. Administrative Update

Tom Tomasino reported that the Department of Health has put off a decision on the Hospice Certificate of Need until January 9, 2012. They have not asked for any additional information. He thanked LaJolla Peters for her presentation on AIDET. He stated that he is proud of the staff for all the work that they have done to incorporate all the changes that have been made this last year. He thanked the Administration team for their consistency in leadership, the Commissioners for standing firm and the managers for the work they have done in holding their staff accountable. He stated that we have made progress but we need to continue moving forward and make more positive changes.

B. Employee Handbook Changes

Carolyn Pape reported that there have been a few changes to the Employee Handbook. These changes include the following:

- Updated of language related to Patients First Orientation, Mandatory Education and addition of AIDET as a communication tool
- Updated language to include a 30 day notice period for leadership positions and expectations upon exiting the organization

- Editing to reflect changes in State and Federal Leave laws
- Edited language to reflect change in eligibility to a .6 FTE for the least costly health plan available

Commissioner Cammermeyer made a motion, seconded by Commissioner Wallin, to approve the changes to the Employee Handbook as presented. Motion carried.

C. 2012 Operating Budget

Joe Vessey presented the 2012 operating budget and the need to consider LTGO bonds secured by the maintenance and operations levy. Patient revenues reflect a 9% increase over 2011 which is made up of a 3% volume increase and a 6% price increase. Tax levy revenue will be down almost 10% due to the statutory limit on the EMS levy. In order to achieve a 3% margin, expenses must be brought in line. The salaries and wages budget has been reduced by 5%; many open positions will not be filled and we will continue to focus on overtime reductions. Commissioner Cammermeyer asked why the budget for professional fees has increased. Mr. Vessey stated that the increase is about \$600,000 and is attributable to consultants that we are using for the Meditech conversion. He noted that the insurance budget has decreased even though premiums have remained relatively flat because we are not anticipating paying tail insurance as we have in the past. The “other expense” category has also been reduced by 11% which includes recruiting, marketing and travel expenses and while these things are important we will have to look at them differently in 2012. Joe Vessey stated achieving this budget will require significant change in the organization but we don’t have a lot of options. A 3% margin is just enough to keep us sustainable and even with that we will see a decrease in our cash reserves. The CT scan which had been planned for replacement in 2013 needs to be replaced in 2012 instead due to repeated failures. This has caused us to take another look at our financing plan for the EMR. Both the current EMR financing and a new CT lease would erode our cash over time which is a situation we want to avoid. Therefore, it may be advantageous to restructure our debt using Limited Tax Obligation Bonds which would be secured by our maintenance and operations levy. This would give us the ability to finance 6.7 million allowing 4 million for the EMR project, 1.4 million for the CT and other capital projects, and funds to pay off our other financing using a more measured financing schedule. Mr. Vessey presented information on the interest rates for general obligation bonds and a schedule of the LTGO debt service. Commissioner Wallin made a motion, seconded by Commissioner Cammermeyer, to move forward with Long Term General Obligation Bonds to restructure the hospital’s debt. Motion carried. Commissioner Walling made a motion, seconded by Commissioner Case, to approve the 2012 budget as presented. Motion carried.

Board Items

A. Resolution 319, 2012 Board Meeting Dates/Times

President Tarrant presented Resolution #319 for approval. The Board of Commissioners will meet on the 2nd Monday of the month in 2012 including in October on Columbus Day. The meetings will begin at 5:00 pm. Commissioner Wallin made a motion, seconded by Commissioner Cammermeyer, to approve Resolution #319 as presented. Motion carried.

B. Letter from Legislators on CAH funding

Commissioner Cammermeyer stated that she received a copy of a letter addressed to Governor Gregoire and signed by 33 legislators in response to the proposed Critical Access Hospital funding cuts. She stated that these legislators seem to understand the impact that these cuts would have to hospitalist like Whidbey General and she is pleased that they are addressing it.

Staff and Status Reports from Administration

A. Administrator’s Report

President Tarrant stated that she appreciates reading the patient comments in the report. Commissioner Cammermeyer suggested using the patient’s comments in our advertising.

B. Financial Report

Joe Vessey reported on the October financial statements. He stated that cash is back up in October which is the result of the receipt of levy funds; however those funds will be used in November to make bond payments. Accounts receivable days are at 44. Many large hospital

systems are not able to achieve anything less than 50 days. Billed charges are under budget by 8%. Expenses are under budget by 1.6% which is an improvement over the year-to-date expenses. The bottom line was excess revenue over expense of \$113,020 on a budgeted gain of \$333,128. Year-to-date the bottom line is a loss of \$233,134.

C. Review of Dashboard Report

Tom Tomasino acknowledged some of the positives from the Dashboard. The surgical site infection rate has remained incredibly low the entire year, the medication error rate is low, scramble times for the EMS units have been good all year and the ED wait times have been consistent all year at around 30 minutes. We have also made significant improvement on our Press Ganey scores. There was discussion regarding the staff injury rate and how most of those are ergonomic issues that do not mean time off for the employee. There was discussion about separating out the clinical injuries from the numbers.

Consent Agenda

A. 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 Cammermeyer made a motion, seconded by Commissioner Case, to approve vouchers #152374 and 152452 in the amount of \$11,100.18. 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 Cammermeyer made a motion, seconded by Commissioner Case to approve vouchers #152255 to #153028, and #2399 to #2415, excluding #152374 and #152452 in the total amount of \$5,495,996.90. Motion carried. Commissioner Cammermeyer made a motion, seconded by Commissioner Case to approve the write-offs for November in the amount of \$949,592.32. Motion carried.

Agenda Items for next Regular Board Session

Commissioner Cammermeyer asked for an update on the Hospice CON.

General Public Comments

There were none.

Adjournment

There being no further business, President Tarrant called for a motion to adjourn. Commissioner Case made a motion, seconded by Commissioner Cammermeyer, to adjourn the meeting at 8:20 p.m. Motion carried.