

VALLEY GENERAL HOSPITAL
Public Hospital District No. 1, Snohomish County

MINUTES OF THE REGULAR MEETING OF JANUARY 31, 2007

Present: Alice Cabe, Dennis Dinkla, Neil Watkins, Mark Judy, John Beltz, Carl Knappe

Medical Staff: William Thot, M.D., Michael Eickerman, M.D., John Bennett, M.D.

Guests: Kathy Nelson, Brenda Rogers, Lauren Barber, Marcy Nicol, Jeanne Bennetts, Joan Catlett, Lisa Norton, Lin McIlrath, Vicki Hesseltine

Minutes Recorded By: Norma Walker

CALL TO ORDER

Commissioner Cabe called the meeting to order at 6:05 a.m.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MINUTES

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, the minutes of the Regular Board Meeting of November 29, 2006 were approved as submitted.

BOARD QUALITY COMMITTEE REPORT

Board Quality Committee Report

Ms. Cabe reported Board Quality met as scheduled, discussing the continued efforts to ensure continuous compliance with the National Patient Safety goals; reviewed the most recent patient satisfaction survey; JCAHO survey preparedness activities; an upcoming ED assessment and the new ED Medical Director.

CNE Report

Ms. Bennetts reported a consultant is in-house providing the services of a mock surveyor. Much is being learned, and it is anticipated many action plans will result from this process.

Medical Staff Report

Dr. Eickerman noted there were no issues to bring to the Board's attention. Dr. Eickerman then presented the credentialing files, noting no items of concern to report.

On the motion of Commissioner Dinkla and a second of Commissioner Watkins, credentialing files were approved as presented.

Dr. Eickerman also presented the newly created Section Chief job description, clearly outlining the expectations of section chiefs in all areas to communicate with department chairs, to the Board for their review and approval.

On the motion of Commissioner Dinkla and a second of Commissioner Watkins, the Section Chief job description was approved as presented.

Dr. Eickerman presented the Medical Staff Bylaw Amendments for Sections 2.6.1.1 and 4.1.1 which modifies the TB testing requirements.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, the Medical Staff Bylaw Amendments were approved as presented.

ED Medical Director Report

Dr. Bennett described his goals as improving staff morale and patient interactions, emphasizing care and comfort to the patient care experience. Dr. Bennett also believes increasing staff accountability will be beneficial to the department's effectiveness and professionalism. Dr. Bennett also expressed interest in establishing a process for surveying patients before they exit the ED and in building a network of care to improve patient handoff to outpatient clinics. Dr. Bennett reported he is working with the Snohomish Fire Department in their attempt to pass a bond to support the EMS services.

Commissioner Cabe extended her appreciation to Dr. Fields in his extraordinary hand-off to Dr. Bennett. Commissioner Cabe also asked Dr. Bennett to extend to Snohomish Fire the opportunity to attend the Run Reviews, held currently at the hospital.

BOARD FINANCE COMMITTEE REPORT

Commissioner Watkins stated Board Finance met as scheduled, reviewing November and December's financial results.

November 2006 Financials

Mr. Beltz briefly reviewed November's financial results, indicating it was a difficult month for us, with expenses higher than anticipated and net revenue coming in lower than anticipated.

December 2006 Financials

Mr. Beltz reviewed December's financial results, indicating net patient services revenue for the month was \$130,000 under budget, with total operating expenses under budget by \$111,000. FTEs increased to 354.63 in December. Adjusted admissions increased to 467 and adjusted patient days increased to 1,157 for the month. Supplies were over budget due to higher pharmacy costs. Gross days in accounts receivable decreased to 57.6 days; days operating cash on hand decreased to 7.6 days, with unrestricted days cash on hand decreasing to 58 days. Days in accounts payable increased to 29.2 days.

Bad Debt and Charity Care

Commissioner Watkins motioned for the approval of the following bad debt and charity care:

	<u>November</u>	<u>December</u>
Bad debt	\$ 95,734	\$ 89,681
Back from collections	(46,659)	(40,605)
Uncollectible	5,786	11,597
Charity care	448,615	411,725
Bankruptcy	(958)	14,431
Contract denials	<u>36,456</u>	<u>25,058</u>
Total:	\$ 494,655	\$ 511,886

Commissioner Dinkla seconded the motion.

Vouchers

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, voucher numbers 98027 – 99260 and 80290 – 80394, along with credits totaling \$136,628.20 were approved as presented.

Budget Amendment

Mr. Beltz reported the attached 2007 Budget Amendment was presented and reviewed at the January Board Finance Meeting. This amended budget projects a breakeven net operating margin with an adjusted net operating budget of \$995,000.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, the 2007 Budget Amendment was approved as presented.

Resolution 2006-21

Mr. Beltz indicated this resolution adds the debit card option to the Section 125 Cafeteria Plan. Additionally, an audit was performed on this fund and everything was found to be compliant.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, Resolution 2006-21 was approved as presented.

Resolution 2006-22

Mr. Beltz indicated this resolution addresses the distribution of funds for employees whose status changes from an eligible to ineligible class. The Hartford also requires the underlined verbiage included in Section IVA and VI.

Another change included in this resolution is acceleration in the vesting schedule for those employees laid-off.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, Resolution 2006-22 was approved as presented.

Resolution 2006-23

Mr. Beltz reported this resolution authorizes the use of Sun West Bank in a receivable purchase transactions.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, Resolution 2006-23 was approved as presented.

Resolution 2006-24

Mr. Beltz presented Resolution 2006-24 which changes the Trustees of the Restated Retirement Plan due to recent managerial changes. The new trustees will be Vicki Hesselstine, Joan Catlett and John Beltz.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, Resolution 2006-24 was approved as presented.

BOARD PLANNING COMMITTEE REPORT

Commissioner Dinkla reported Board Planning met as scheduled, focusing on completion of the new Strategic Plan. Commissioner Dinkla invited Ms. Nelson to share the new Strategic Plan with the Board. Ms. Nelson indicated not many changes have been made since this was shared with the Board in October. The Vision statement was shortened, without changing the intent. Commissioner Cabe requested adding 'actively participating in the national patient safety standards' to the Quality & Safety Initiatives.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, the Strategic Plan was approved with the requested addition as specified by Commissioner Cabe.

CHIEF EXECUTIVE OFFICER'S REPORT

UFCW Negotiations

At Mr. Judy request, Ms. Rogers update the Board on the current settlement details on the UFCW contract.

Compliance Officer Appointment

Mr. Judy stated a new Compliance Officer must to be appointed, due to recent management changes. Mr. Beltz has offered to assume the responsibility.

On the motion of Commissioner Watkins and a second of Commissioner Dinkla, Mr. Beltz's appointment as Compliance Officer's was ratified.

Compliance Officer's Report

Mr. Beltz reported auditing was done in the 2006 DRG audits, flexible spending account and updated charge master. The log continues to be worked. Deficit Reduction Act makes the voluntary program mandatory, necessitating changes to comply.

ER Physician's Group Insurance Contract Update

Mr. Judy indicated the physician's group was able to negotiate an agreement with Regence, and a new contract was signed.

Met with Premera yesterday, this time the ER physicians were very flexible and Premera was inflexible in their position. The ER physicians offered to draft a multi-year agreement for proposal to Premera.

Employee Update

Mr. Judy indicated Ms. Nelson is constructing a 2006 "look-back" to present to employees, coupled with an Employee Opinion Survey update. The employee forums have been much more positive, different tone, different focus on questions and topics.

Wound Care

Mr. Beltz shared discussions have occurred with an organization specializing in wound care program, which would include a hyperbaric chamber. Discussions have gone on about 10 months, with a recent offer from the firm to finance the installation and beautification of the oxygen tank in order to get the program started. This is a nation-wide program, however this would be the only one in WA state. Mr. Beltz will present the program at MEC to determine interest. Will bring the project back to the Board in February after physician's review.

REPORTS

Marketing / Community Relations

Ms. Nelson reported an orthopedics mailer and article in the Snohomish version of the Seattle Times will be published soon. The first annual report for employees and physicians should be received back from the printer next week. Phone survey to 400 community households will focus on comments and questions voiced during the 2003 community survey.

Health & Healing

Ms. Rogers indicated the music program should be installed by the end of March. The Chapel is being remodeled after the water damage. New landscaping in the front of building.

Foundation

Ms. McIlrath stated the oncology patients now have their comfort care program, the bariatric stretcher was purchased, working to schedule the Dietary Appreciation dinner. The Foundation has identified \$64,000 to purchase fetal monitors as the goal for fund raising by year's end.

Guild

Ms. Rogers items in the Gift Shop are now discounted 75%, hoping to close for remodeling by the end of the week, opening the first week of February.

IT Update

Ms. Norton indicated some changes were made in the implementation schedule, to better address the more critical needs. Expanded capacity in the server room needs to be addressed. Hospital Intranet beginning in January, increasing opportunities for communication and access to information.

ADJOURNMENT

There being no further business to conduct, on the motion of Commissioner Watkins and a second from Commissioner Dinkla, the regular meeting of the Board of Commissioners was adjourned at 8:10 a.m.



Chair

Attest



Commissioner



Commissioner