



TRUE
COMMUNITY
MEDICINE

VALLEY GENERAL HOSPITAL

Public Hospital District No. 1, Snohomish County

MINUTES OF THE REGULAR MEETING OF FEBRUARY 25, 2009

Present: Neil Watkins, Alice Cabe, Dennis Dinkla, Mark Judy, Brenda Rogers, John Beltz

Medical Staff: Unable to attend

Guests: **VGH:** Lin McIlrath, Lisa Norton, Joan Catlett, Teri Cook, Quinn Hatala, Lauren Barber, Kathy Nelson, Monica Sylte, Jennifer Scott, Jeannie Dominquez-Burton

Public: Roberta Wampole, Beth Stucker, Omar Gomez, Kick King, Sharon King, Karla Fletcher, Michael Fletcher, Sarah Jusko

Minutes By: Norma Walker

CALL TO ORDER

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

MINUTES

On the motion of Commissioner Dinkla and a second from Commissioner Cabe, the minutes from the Regular meeting of January 28, 2009 were approved as presented.

PATIENT CARE STORY

Ms. Rogers shared recently received patient responses to the relaxation CDs that are available in pre-procedure for patient's to prepare for surgery and heal healthier after surgery.

PUBLIC COMMENT

Mr. Gomez indicated he would like to address the Board. Mr. Gomez read a prepared statement, expressing results from an exploration performed by the Citizen's Group have raised questions and concerns the Group would like the Board to address. Mr. Gomez stated the Group was prepared to share this report with church members, local companies, and others. Mr. Gomez indicated the desire of the Group was to receive input from the Commissioners at the next Board meeting. The Commissioners thanked Mr. Gomez for his report and concern, and would prepare a response as soon as the report could be read, analyzed and responded to.

BOARD QUALITY

Commissioner Cabe stated Board Quality was not held this month, due to the Department of Health survey, which went very well. The survey typically takes 4 days; they had completed our survey in 2 days. High regards were expressed by the surveyors. A few minor suggestions were noted; however we received an overall rating of 99%. Follop plan will be submitted to State after report is received.

Risk Management Update

Ms. Cook reported a complaint was filed with the Joint Commission. It was reviewed and responded to. A response was received by the Joint Commission that no further action will be taken.

Ms. Cook also reported a wrong site surgery lawsuit from June 2007 was settled recently for \$80,000.

Patient Satisfaction Scores

Ms. Nelson shared the recently received Q4 2008 results. The global rating of “overall satisfaction” is the goal our Leadership Team and Board have agreed will be the measure to monitor and improve this year. The goal of 62% was chosen, which is 2% above the Puget Sound ratings. The VGH rating for this measure for this time period was 64%. We are very pleased with the results and will continue to focus on patient satisfaction.

Initiative I-1000

Ms. Rogers reminded the Board of the process by which the Ethics Committee pursued it’s development of a recommendation to the MEC and Board. A meeting was held with local religious representatives in this area to discuss and gather their opinions of the recently passed Initiative I-1000 “Death With Dignity” law. The Ethics Committee prepared an recommendation, in general terms stating the hospital will not interfere, but we will not perform the act on the premises and will not dispense or administer the drugs for this purpose. VGH will encourage the patient to consider all options, including Hospice and other end of life comfort measures. This position was shared with MEC, where several modifications and clarifications were requested prior to adopting. They are incorporated in the current document.

Our legal counsel reported most Washington hospitals are variable, some choosing similar stances, except Evergreen which has a large Hospice care program. Continuing to discuss this topic, Ms. Rogers reported responses received by her were both pro and con, with most in opposition of the hospital participating in I-1000. Commissioner Cabe reported the responses she received largely encouraged the hospital not to participate. Oncologists state wide will not participate.

On a motion from Commissioner Cabe and a second from Commissioner Dinkla, it was decided the Board will temporarily adopt the Ethics Committee’s recommendation as presented, with a stipulation that a report of the votes by demographic area within the District will be provided to the Board for review at the March Board meeting.

CNE Report

Ms. Rogers provided the following reports:

- **Pediatrics / Neonatal Resuscitation** – Met with Providence pediatricians, hoping they may have reconsidered their position. They might consider providing coverage Monday through Friday 8 a.m. to 5 p.m., but not 24 / 7. Dr. Madani has stated the number of calls are lower than anticipated; only 1 – 3 per month. Continue to recruit Family Practice into the IM clinic. Exploring telemedicine possibilities.
- **Nurse Staffing Committee** – Met as planned. Getting a lot of discussion and suggestions, in addition to building good inter-departmental relationships. Committee has made staffing recommendations for 2009 and Administration has concurred.
- **Nurse Practice Committee** – This committee was developed by staff to address process and systems issues. Wonderful teamwork and problem solving.

Credentialing Files

Ms. Dominguez Burton presented the credentialing files to the Board, summarizing any information necessary for the Board to make their decisions. Ms. Dominguez-Burton reported MEC has reviewed this list and recommends approval of these files.

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

Medical Staff and Allied Health Practitioner Orientation Plan

Ms. Dominguez-Burton presented an updated version of this Orientation Plan, noting the changes were only in contact information and name changes for department leaders. Commissioner Cabe inquired whether professional conduct was addressed in this document. Ms. Dominguez-Burton stated the VGH Code of Conduct, Disruptive Behavior and Physician Well Being are all covered in this Plan, and that the Plan is being used state-wide as a model for other hospitals. Policies are also written regarding all of those topics.

On the motion from Commissioner Cabe and a second from Commissioner Dinkla, the Medical Staff and Allied Health Practitioner Orientation Plan was approved as presented.

2008 Clinical Contract Review

Ms. Cook presented the Clinical Contract Review list for review, indicating the 2008 review found all contracts satisfactory. Each contract is reviewed by the Director involved with the contract, reviewed by Mark Judy then taken to MEC for review and approval.

On the motion of Commissioner Cabe and a second from Commissioner Dinkla, the 2008 Clinical Contract Review list was approved as presented.

BOARD FINANCE COMMITTEE REVIEW

Commissioner Watkins stated Board Finance met as scheduled and reviewed the January 2009 financial reports, and other topics, as Mr. Beltz will discuss.

January 2009 Financial Reports

Mr. Beltz summarized net patient services revenue for January 2009 were \$49,000 below budget, with total operating expenses under budget by \$70,000. Salaries were under budget by \$23,000 and agency use was over budget by \$23,000. The results from operations was an operating gain of \$112,900. Non-operating revenues for the month were \$62,000, which is under budget by \$11,000. Gross days in accounts receivable increased to 49.7 days, and days operating cash on hand decreased to 4.0 days. Days in accounts payable increased to 42.8 days.

Mr. Beltz further shared inpatient volumes were up, while outpatient volumes were a little lower. This trend will hopefully change once Dr. Swenson is back on March 3. Births were slightly lower while acute care shows a pattern of growth.

The conversion from Senior Behavioral Health to an Inpatient Psychiatric Treatment Unit has exceeded our expectations to date. March 2009 was determined to be a reevaluation date for the program.

CDTS has also exceeded expectations. Demand for services is excellent. Working with the Department of Health to obtain approval to expand the number of beds.

The Wound Care center, which began fully in January is far exceeding expectations of National Healing and ourselves. Dr. Borjeson has been an active participant in the Center.

FTEs were lower than last year, but moderately higher than the monthly target (which includes agency). Agency, which was primarily used in the Birth Center and Emergency Department, was higher than anticipated, but was offset by the lower FTE. The Birth Center position is being filled, reducing the agency usage there.

Supplies were lower than anticipated, primarily due to the reduction in prosthetic expense, which will increase again with Dr. Swenson's return.

Bad Debt and Charity Care

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

	<u>January 2009</u>
Bad debt	\$ 338,073
Back from collections	(32,106)
Uncollectible	13,989
Charity care	332,065
Bankruptcy	(0)
Contract denials	<u>16,126</u>
Total:	\$ 668,147

Commissioner Cabe seconded the motion.

Vouchers

On the motion of Commissioner Cabe and a second of Commissioner Dinkla, vouchers 115011 – 115496 and 81786 – 81831, with credits totaling \$14,692.30, in addition to automated clearing house transactions totaling \$976,432.62 were approved as presented.

BOARD PLANNING COMMITTEE

The Planning Committee met and reviewed the Medical Staff Development Plan in preparation to bring to MEC and the Board in March. The Committee also discussed the proposed levy further. A meeting with physicians and Administration will be scheduled to discuss physician recruitment, OB / neonate issue and the levy issue.

MARKETING TASK FORCE

Ms. Nelson reported the Marketing Task Force met twice so far. One meeting was with an advertising consultant. The second meeting the Marketing Plan was discussed in draft form.

CEO REPORTS

Diversity Council

Mr. Judy facilitates this group, which addresses the change in the population cultural diversity in the Monroe area. "Uncommon Causes" was the topic of discussion scheduled for March 14th which focused on the relational impact of the cultural changes of the immigrants and the negative consequences on their health status.

Oncology

Dr. Congdon's group has decided to leave Western Washington Medical Group effective August 15, 2009 and join the Everett Clinic. This change should not impact VGH, as they will continue to serve patients here. We had discussed the possibility of a business relationship between Dr. Congdon's group and VGH, but were unable to match the financial benefits due to the reimbursement process – related to chemotherapy drug costs.

Community Advisory Board

Ms. Nelson reported the January meeting was very productive. There are no new members to recommend, however a change in the Community Advisor position qualification is being recommended to include the addition of a licensure check if the applicant has a medical background. This requirement will create uniformity with the requirements of other associations within the hospital setting. The next meeting is scheduled for March 10.

On the motion of Commissioner Dinkla and a second of Commissioner Cabe, additional qualification of licensure check for applicants with a medical background is approved as presented.

New VGH Organizational Table and Chart

With the recent departure of Ms. Jeanne Bennetts, it was determined not to replace the position at this time, but to distribute the management responsibilities to the existing Directors. This chart captures the distribution of those duties.

March 4, 2009 Evening Board Meeting

This special Board meeting will focus on both the expanded Chemical Dependency Treatment Services unit and the change from Senior Behavioral Health to the Inpatient Psychiatric Treatment Unit. Working to get community leaders of Washington, particularly Snohomish County to participate. There is a significant need for mental health services in this county, and the state. Without appropriate mental health care and facilities, those with mental health issues will be funneled through our Emergency rooms and the judicial system, instead of being provided with the appropriate health care needs. Mr. Judy encouraged everyone to join us in this very important discussion on mental health advocacy.

Levy Committee Recommendations and Proposed Levy Resolution

The Levy Committee has made a recommendation to the Board that the hospital delay the vote for at least 12 months, primarily due to the unprecedented economic environment. Discussion continued regarding the potential impact on the hospital if the vote is delayed. The known facts are every school district will be on the ballot in 2010, so the next 'window of opportunity' would be 2011. Commissioner Cabe had a conversation with a neighbor who was very surprised how little of his property taxes are for the hospital. He was very concerned that the hospital was under funded and may be in jeopardy if that is not rectified. Commissioner Dinkla has had similar conversations. Further discussion and recommendation in "go / no-go" for levy vote at the March Board meeting.

Bond Refinance

Mr. Beltz explained by using the remaining funds in the current levy to issue new bonds we can refinance the existing bonds and use the proceeds to stabilize the balance sheet for other needs. Proceeding in that direction, we anticipate proceeds of approximately \$6.25 million

which can be used to assist in physician development, enhancements to the facility and to provide added services to other parts of our District.

With the constant changes in Medicare support and other regulation changes, and our relatively small size, any wrinkle puts us financially 'sideways.' Consistent with the Board's desires, our goal to remain independent as a Public Hospital District.

The Board thought it might be beneficial to have a representative from the Levy Committee to attend a meeting so they can be available to address questions and have a discussion.

OTHER REPORTS:

In the interest of time, Mr. Judy asked if there were any reports that could be deferred, or could not wait until the next meeting.

VGH Foundation

Ms. McIlrath asked to share a few important pieces of information. The Foundation is working on developing their Strategic Objectives for 2009, which has a focus of community education.

Beyond the Bedside breakfast is scheduled for March 10. A facility tour will be available, with Mr. Judy as the guide.

The Black & White Gala is scheduled for May 16, and the annual Golf Tournament is scheduled for June 12, 2009.

EXECUTIVE SESSION

On the motion from Commissioner Cabe and a second from Commissioner Dinkla, the Board entered into Executive Session at 7:40 AM, stating the purpose for the Executive Session was to discuss potential legal matters of a Human Resource nature. The attendees will be Commissioner Watkins, Commissioner Dinkla, Commissioner Cabe, Mr. Judy, Ms. Catlett, Ms. Rogers. The Executive Session will continue for 35 minutes (until 8:15 a.m.).

At 8:15 a.m., the Executive Session ended and the meeting was returned to a Public Session.

ADJOURNMENT

With no other business to address, at 8:15 a.m., with the motion of Commissioner Cabe and a second from Commissioner Dinkla, the regular meeting of February 25, 2009 was adjourned.

Attest:


Chair


Commissioner

Commissioner