



TRUE  
COMMUNITY  
MEDICINE

**VALLEY GENERAL HOSPITAL**

**Public Hospital District No. 1, Snohomish County**

**MINUTES OF THE REGULAR MEETING OF DECEMBER 2, 2009**

**Present:** Neil Watkins, Alice Cabe, John Hinchcliffe, Mike Liepman, Phil Sandifer, Brenda Rogers, John Beltz

**Guests:** **VGH:** Joan Catlett, Jennifer Scott, Lauren Barber, Vicki Hesselstine, Kathy Nelson, Monica Sylte  
**Public:** None

**Minutes By:** Norma Walker

**CALL TO ORDER**

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

**CONSENT AGENDA**

Commissioner Watkins asked for a motion to approve the Consent Agenda items.

On the motion of Commissioner Cabe and a second from Commissioner Hinchcliffe, the Consent Agenda items were approved as provided. Those items were:

- November 11, 2009 Regular Meeting Minutes
- November 14, 2009 Special Meeting Minutes
- Interim CEO Report
- CNE Report
- Marketing Report
- Foundation Report
- Vouchers

Payroll vouchers	81785, 83294 – 83318	\$1,314,471.02
A/P vouchers	120152 – 120543	1,256,436.05
Wire transfer vouchers	11/10/09 – 11/16/09	331,053.81
American Express vouchers	1109013 – 1109049	159,148.46
Credits (voids)		(21,421.86)

**PATIENT STORIES**

Ms. Rogers shared an incident reported to her by Ms. Sandie Howells from the Wound Care Center. "I spoke to a gentleman in Kirkland this week regarding a presentation to the Kiwanis club. He said he was at Valley for a cataract surgery about 5 years ago. He said when he saw Dr. Leavitt at his Bellevue office and found out the surgery would be here he was really surprised. He asked Dr. Leavitt why he comes all the way up here to do those surgeries and the Dr. said, "Just wait until you see the way they treat you there!" And the gentleman said, "Boy was it true." I was treated like a king ... and after the surgery they gave me a cup of coffee and my breakfast in a bag to go. I was so impressed I have told 100 people about it since then!"

**PUBLIC COMMENT**

There was no public comment.

**DEPARTMENT REPORT – LABORATORY SERVICES**

Ms. Thomas reported the upgrades made to the laboratory equipment and processes over the past few years, which increased the turnaround time. Ms. Thomas indicated more tests are processed in-house as our capability permits. The expansion of the additional lab space in the MOB has increased productivity and patient satisfaction.

**BOARD QUALITY COMMITTEE**

Commissioner Cabe reported Board Quality Committee did not meet this month, therefore there is no report.

**BOARD FINANCE COMMITTEE REVIEW**

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

**October 2009 Financial Summary**

The Financial Dashboard symbolizes the activity for the month, which was below target in most areas except acute care admissions, IPTU admissions, Emergency Room visits, inpatient surgeries, ACU visits and lab tests. All Financial viability measures were below target.

Gross patient revenues were \$495,000 under budget. Net patient services revenues were \$256,000 below budget. Deductions from revenue and contractual adjustments were both under budget. Charity care was below budget; however bad debt was over budget.

The result from operations was a loss of \$461,500, which was below budget. The net operating loss for the month was \$511,000. Tax revenue reclassified from non-operating to operating contributed highly to this loss, which was \$646,000 below budget.

**Charity Care**

Mr. Beltz stated Charity Care continues to be a challenge. Commissioner Cabe motioned for the approval of the following bad debt and charity care:

	<u>October 2009</u>
Bad debt	\$ 429,957
Back from collections	(34,100)
Uncollectible	7,929
Charity care	425,667
Bankruptcy	-
Contract denials	<u>2,571</u>
Total:	\$ 832,024

Commissioner Hinchcliffe seconded the motion.

**Resolution 2009-16**

Commissioner Watkins reported Board Finance choose to defer the budget amendment to allow Mr. Liepman to have time to review and thoroughly digest the data. A special meeting will be scheduled before Christmas to address the budget amendment, in order to comply with regulatory requirements.

**Resolution 2009-17**

Resolution 2009-17 is an amended resolution required by the Department of Revenue. Our filing in November for the 1% increase in tax levy exceeded the reduced amount calculated by the Department. The reduction was an affect of the reduced property valuations caused by the recent recession. In order to justify the full 1%, another form was required.

On a motion from Commissioner Cabe and a second from Commissioner Hinchcliffe, Resolution 2009-17 was approved as presented.

**Resolution 2009-18**

Mr. Beltz presented Resolution 2009-18 for the Board to consider. This resolution would declare a Kodak dry view laser imager as surplus, allowing us to dispose of the equipment. This equipment is outdated and non-functional. Imaging has since replaced the equipment with newer state-of-the art equipment.

On the motion of Commissioner Cabe and a second from Commissioner Watkins, Resolution 2009-13 was approved as presented.

**Resolution 2009-19**

Mr. Beltz presented this resolution on the advice of our plan administrator. This resolution amends the Retirement Plan brining it into compliance with the Pension Protection Act of 2006 and the Heroes Earnings Assistance and Tax Relief Act of 2008, and other applicable laws, including changes required by the 2008 Cumulative List of Changes in Qualifications requirements. There are no financial impacts to these changes.

On a motion of Commissioner Cabe and a second from Commissioner Hinchcliffe, Resolution 2009-19 was approved as presented.

**Resolution 2009-20**

This resolution formally documents the use of the American Express Card for payment of items in accounts payable. Using this process, the hospital earns reward points, which can be donated to the Foundation or used to purchase products or equipment for the facility.

On a motion of Commissioner Cabe and a second from Commissioner Hinchcliffe, Resolution 2009-20 was approved as presented.

**Resolution 2009-21**

This resolution stipulates what employee related events and activities the hospital may help fund. This resolution was obtained from the AWPHD web site. After further discussion, it was decided to defer this resolution, and obtain advice from counsel.

**Resolution 2009-22**

This resolution sets the regular meeting dates for the Board of Commissioners for 2010.

On a motion from Commissioner Cabe and a second from Commissioner Hinchcliffe, Resolution 2009-21 was approved as presented, with a note that the January 5<sup>th</sup> date (December 2010's meeting) indicates 2010 and should be 2011.

### **INTERIM CHIEF EXECUTIVE OFFICER'S REPORT**

Mr. Sandifer indicated he is wearing dual hats today, as the out-going Interim Chief Executive Officer and as the Lakes Group consultant.

The annual Board Strategic Planning Retreat held November 14 was very productive. In addition to the Commissioners and Administration, participants included VGH medical leadership, two Community Advisory Committee representatives, the newly appointed CEO, the newly appointed Commissioner, ER Medical Director, VGH Medical Clinic physician, VGH Hospitalist, and WWMG physician. The foundation for the 2010 – 2012 Strategic Plan was developed and will be honed down into measurable outcomes and strategies. A draft of the plan will be shared with the Board at the December Board meeting held January 6, 2010.

### **CHIEF EXECUTIVE OFFICER'S REPORT**

Mr. Liepman thanked Mr. Sandifer for his hard work the past four months. The detail and depth of the information provided will make transitioning into this position much easier. Mr. Sandifer went 'above and beyond' what is typically provided. Mr. Liepman stated he is excited to be here and looks forward to hard work and success.

### **Community Advisory Board Applicant**

Mr. George Hieber has applied for membership on the Community Advisory Board. Mr. Hieber is a long time member of the community, and will make a valuable contribution to the group.

On a motion from Commissioner Cabe and a second from Commissioner Hinchcliffe, Mr. Hieber application for membership on the Community Advisory Board was approved.

### **EXECUTIVE SESSION**

At 7:05 a.m. on the motion of Commissioner Watkins and a second from Commissioner Cabe, the Board convened into Executive Session for the purpose of discussing and reviewing quality improvement activities. The participants will be Commissioners Watkins, Cabe, and Hinchcliffe, Mr. Sandifer, and Mr. Liepman. The Executive Session is expected to last approximately 20 minutes.

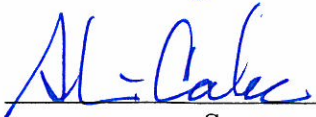
At 7:20 a.m., the Executive Session was called to an end, and the open meeting was returned.

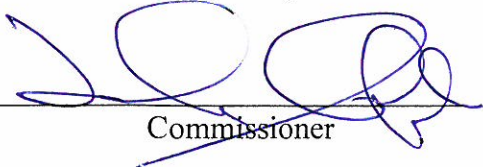
**ADJOURNMENT:**

With no other business to address, at 7:25 a.m., with the motion of Commissioner Watkins and a second from Commissioner Cabe, the regular meeting of December 2, 2009 was adjourned.

Attest:

  
Chair

  
Secretary

  
Commissioner