

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
November 28, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Michael Bruce, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH
Members of the Public

BOARD EDUCATION

Education was provided by Brad Wallace, IT Director, on Cybersecurity (see presentation slide deck for details).

CALL TO ORDER

President Welch called the meeting to order at 6:26p.

Public Comment – Agenda Topics

President Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

CONSENT AGENDA

Minutes

- Minutes of October 24, 2017 Hospital Board meeting.
- Minutes of November 14 Special Board meeting.
- Minutes of October 17, 2017 Board Quality Committee meeting.
- Minutes of October 19, 2017 Board Finance Committee meeting.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs and unanimously carried to approve the Consent Agenda.

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of David Freidenberg, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Anthony Guynes, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Ryder Olson, MD, as Provisional Staff for a period of one years in the Specialty of

Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of David Newman, MD, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Christopher Roberts, MD, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Tonya Grissam, MD, from Locums to Provisional for a period of one year in the Specialty of Pediatrics.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Daniel Byrd, MD, as Consulting Staff for a period of two years in the Specialty of Medical Oncology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Timothy Troeh, MD, as Active Staff for a period of two years in the Specialty of Internal Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of John Eiland, DO, as Active Staff for a period of two years in the Specialty of OB/GYN.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Elizabeth Miller, RNFA, as an Allied Health Professional for a period of two years in the Specialty of Surgery.

A multitude of resignations were noted for Emergency Medicine, Teleradiology, and Urology. The Teleradiology resignations were due to a change in vendor from NightShift to OnRad. Of special note was the retirement of Stephen, Reznicek, MD.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the November Board Quality Committee meeting, with information encompassing:

- The Patient Advocate brought forward a patient compliment. There have been no future complaints on noise at night. An increase has been noted in complaints regarding the ED throughput process.
- Ethics Committee Four Box methodology was explained. The methodology is a way to approach decision-making for ethics and applying it across the board with departments.

- ED Report; The majority of metrics has seen a positive decrease. Door to Doc time is down to a little over 31 minutes. There has been an increase in D-Diff patients, which has impacted housekeeping and linen service. A Patient Ambassador is now rounding on the Medical Floor to solicit patient feedback on HCAHPS questions in order to see if there are issues that can be addressed real-time while patients are in the hospital.
- Sepsis came in at 55% above the national benchmark of 40%. Early recognition and follow-up is critical in order to meet the bundle requirements. A Sepsis Committee has been formed that includes nurses from all the units, of which some are becoming sepsis experts in order to communicate with other staff on the floors. Melanie explained how working with Kimberly is working with GH College in order to provide sepsis education, and would like to eventually educate at SNF facilities.
- Quality Report; DOH resurvey on October 12th was completed with no deficiencies identified.
- DOH Audit Report; In October there were 878 hand washing observations conducted, with staff at 93% compliance.
- Nursing Outcomes Report; The number of falls continues to be low, and falls with injury are extremely low.
- Immediate Use Steam Sterilization; Outcomes have been good; however, intermittent spikes have been due to the main sterilizer being down.
- Infection Control Report; Surgical Site Infections continue to be below the national benchmark. There have been no Catheter Associated UTI's or Central Line Blood Stream infections to date this year. Public Relations worked with the Foundation who paid for coffee coupons ("shot for a shot"), which improved the influenza vaccine compliance from 88% last year to 99% this year.
- Utilization Review Report; There were 9 of 19 patients between July and the present that didn't meet criteria according to Medicare, and therefore the hospital was denied reimbursement; however, McKesson criteria used by the hospital indicates that the patients did meet criteria.
- Hr report; Employment is being provided to 661 employees. GHCH Turnover Rate continues to meet or be lower than the general industry over the past three years. The unusually high number of terminations has been driven by the Housekeeping positions, as it is a physically demanding job. Starting January 1st the hospital's Payroll Department will be processing payroll for HMG. The number of L&I claims attributed to interactions with combative patients has increased six-fold since 2015.
- Diagnostic Imaging Report; Dr. Stengel provided review of the new report being submitted to the Committee. Have a really good and thorough peer review process, with studies reviewed by multiple sets of providers.

Commissioner Walsh added that the patient satisfaction vendor is being changed from PRC to Press Ganey, whose surveys are provided through the mail.

Board Finance Report

Commissioner Scroggs provided report on the November Board Finance Committee meeting, with information encompassing:

- Total Revenue came in at \$34M; Deductions from Revenue was \$26.7M; Operating Revenue came in at \$7.6M; Expenses were \$9.5M; Net Income came in at loss of \$1.672M.
- Operating Revenue came in at \$1.4M short of the budget; ED visits continue to be down from budget; Inpatient Volumes were strong, however, HarborCrest had a dip in volume;

Agency continues to be a challenge financially – initiatives are in place to reduce the expense; Outpatient Surgery has been below budget for much of the year.

- Days Cash on Hand are down. One impact is that Accounts Receivable is increasing, however, the team is working hard to address various issues.
- Bond Covenants; Debt Service Ratio is declining, however, above target; Excess Margin is above target; Cushion Ratio and Liquidity Ratio went down and is well below target.
- New statement was presented to the Committee related to cash flow.
- 49-Bed Project; A few licensing issues are being addressed related to HarborCrest. Some of the practitioners and physician assistants will have to be reclassified and employed by the hospital vs. HMG.
- Productivity; A great deal of conversations are being held on productivity. MGMA will be conducting an efficiency benchmarking assessment of HMG. Several issues are being addressed within the Coding Department. Truven data is being utilized by departments to meet benchmarks. If all departments were operating at the 50th percentile, it would have had a \$5M positive impact on hospital financials.

Mr. Vessey brought forward that after the Hospital did not meet Bond Covenants the end of 2014, Key Bank required the hospital to conduct an operational assessment and to implement initiatives that would improve financials. In 2015, much of the focus was on acquiring the Sole Community Hospital and PHD status, and Key Bank consultants were satisfied with these tactics. The overarching challenge in healthcare is that the county's major payor is Medicaid and Medicare, which will typically only provide a 1% or 1.2% increase year-over-year; however, costs are increasing at a greater rate than the 1% or \$1.2 reimbursement. During the time of the assessment, the hospital did not have an established benchmark to set departmental productivity, and the bank required the hospital to engage with a firm to conduct a productivity assessment and to develop tools to monitor productivity on an ongoing basis. Truven is a widely used product with data that includes over 750 hospitals. GHCH is compared against a peer group of like-size hospitals based on units of service. The current target of the 50th percentile is the median/average in which all departments' productivity is being measured against.

Commissioner Bickar inquired about the incentive being offered if Accounts Payable is able to collect \$25M by year end, in order to improve cash. Mr. Vessey indicated that \$8M in collections is typical per month, and a vendor was engaged to assist the department in accelerating cash flow. At this point in time the department is not on target to meet the goal.

Mr. Vessey also brought forward that over the summer, 835 technology was implemented in order to augment a process of hand-keying reams of insurance remittances that was still in place. Bugs continue to be worked out of the system.

Chairman's Report

Medical Staff Bylaws/Rules & Regulations

Submitted were revised Medical Staff Bylaws/Rules & Regulations for Board approval. Earlier in the year a mock survey was conducted and after a review of the Bylaws, some recommendations were made in order to bring language into compliance with CMS and Joint Commission standards. Revisions reflect the recommendations, most of which address regulatory issues vs. impact on processes.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve the revised Medical Staff Bylaws/Rules & Regulations.

Holiday Social

The Medical Staff and Board Holiday Social is scheduled this Friday at 6:30p at the Aberdeen Mansion.

Employee Forums

The December Employee Forums are scheduled as follows:

4 th	10:00a	East Campus	6 th	1:30p	West Campus
5 th	3:00p	East Campus	7 th	7:30a	West Campus

ADMINISTRATION

Executive Suite Summary

Submitted for review was the Executive Suite Summary Report. It was noted that Healogics Contract Management has recruited a new Director for Wound Healing, as Keith Ounsted, previous Director, took a position with HMG. The internal candidate will be announced in the near future.

OLD BUSINESS

None

NEW BUSINESS

Commissioner Torgerson brought forward a conversation he had with a young lady who shared about her recent ED visit, where it was discovered she had pneumonia and was septic. Her early treatment was very successful and she recovered very quickly.

PUBLIC COMMENT – General

President Welch opened the meeting to public comment from members of the community regarding issues that were not part of the agenda.

NEXT MEETING

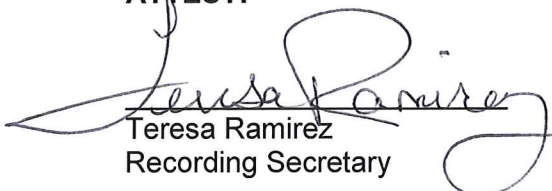
December 21st 1:00p Room C


ADJOURNMENT

The meeting adjourned at 7:17p.

APPROVED AND ADOPTED THIS 21st day of December, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Maryann Welch
President