



**Public Hospital District 3 of Pacific County  
Ocean Beach Hospital and Medical Clinics  
BOARD OF COMMISSIONERS MEETING  
June 26, 2012**

AGENDA	DISUSSION / CONCLUSION	RECOMMENDATIONS / ACTION / FOLLOW-UP
CALL TO ORDER	<p>The Public Hospital District 3 of Pacific County Board of Commissioners Meeting was called to order May 30, 2012 at 5:30 pm</p> <p><b>Commissioners present:</b> Nancy Campiche, Alan Johnson, and Nancy Gorshe</p> <p><b>Commissioners absent:</b> Darren Thorsen and Garnette Sutherland</p> <p><b>Also Present:</b> Terry Finklein, Interim CEO Linda Kaino, CNO Tammie Jefferies, Executive Assistant</p>	
AGENDA	Nancy Campiche seek approval of the agenda	A motion was made by Nancy Gorshe; Alan Johnson seconded the motion. The motion passed by unanimous vote.
MINUTES	Nancy Campiche seek approval for the May minutes	A motion was made by Nancy Gorshe; Alan Johnson seconded the motion. The motion passed by unanimous vote.
Introduction	Terry introduced Kathy Hubbard, Controller	
Quality Summary	<p>Review of Quality board summary</p> <p>New Mandated Monitoring - Seven Best Practices</p>	The Seven Best Practices to Reduce Unnecessary Use of the Emergency Room by Medicaid Clients: This has been mandated by the state of Washington. The first one is Electronic Health Record exchange and we will have this

		<p>by July 1<sup>st</sup>. The seconded one is that we provided patient education to all Medicaid patients. We have a brochure that WSHA has put out and we will be giving it out to all Medicaid patients that come to the ED. The third the PRC client information a client that is being monitored by the state and who is one that frequents the ED. We have the criteria we have to meet by contacting their PCP giving them more social assistant as far as getting their appointments. Every PRC has to have a care plan and we will be sharing it with the hospitals throughout. There are specific narcotic guidelines. The physicians needed to enroll in the prescription monitoring and they all have done this including the ED physicians. The last item is that we will provide them the information they request for monitoring.</p>
Finance Committee		
Approval of Vouchers	Vouchers: May 2012	A motion was made by Nancy Gorshe; Alan Johnson seconded the motion. The motion passed by unanimous vote.
Terry report on Finance Committee	Dr. Brinks (Ophthalmologist) Business Plan. Mary Thorsen provided a business plan for our review and acceptance. It showed the service will have a positive impact on the bottom line. He will be here rather than July 18 <sup>th</sup> it has moved up to June 29 <sup>th</sup> . We are ready for him and staff is prepared.	
	Review of Finance meeting minutes	A motion was made by Alan Johnson; Nancy Gorshe seconded the motion. The motion passed by unanimous vote.
Kathy Hubbard – May Finance Review	<p>Patient Revenue:  Inpatient \$664,349  Outpatient \$1,328,795  Clinic \$271,452  YTD overall Total Patient Revenue: \$11,596,534</p>	A motion was made by Alan Johnson; Nancy Gorshe seconded the motion. The motion passed by unanimous vote.
May Finance Review - continued	<p>Total Deductions: \$715,006  YTD Total Deduct: \$3,954,847  Net Patient Revenue: \$1,549,590  YTD Net Patient Revenue: 7,641,687</p>	

	<p>Total Operating Revenue: \$1,557,017  YTD Total Operating Revenue: \$7,789,418  Expenses:  Total Labor Expenses \$977,317  YTD Total Labor Expenses: \$ 5,485,419  Total Non-labor Expenses \$ 589,783  YTD Total Non-labor Expenses \$3,464,347  Total Operating Expenses \$ 1,567,100  YTD Total Operating Expenses \$ 8,949,766  Net Operating Profit / (loss) \$ (\$10,083)  YTD Net Operating Profit /(loss) (\$1,160,348)</p> <p>The trend line has consistently improved. With the changes that incurred Terry mentioned the staff overall should be congratulated in terms of picking up a lot of responsibilities and not letting things drop in the process. They have done an outstanding job.</p>	
Finance committee update	<p>Terry shared the finance committee is working on the dashboard. The dashboard will be beneficial for future. Kathy shared the trends have been in a nice consistent and improving each month. Terry shared that we did not have the report used to seeing available because we had not put in the new codes in meditech and Kathy modified that report on meditech and was able to generate a normal report. The problem that still exists with modification of the budget in that report. The budget has been revised.</p> <p>Balance Sheet – there wasn't a lot of change in the balance sheet this month. It did decrease by \$600,000 the usage of cash less taxes received from the county using up some of the prepaid items and</p> <p>Accounts payable we have paid the AP down from the beginning of the year.</p>	
Accounts Aged Report	<p>Accounts payable we have paid down about 1.3 million today AP is a about 1.1 million</p> <p>Terry shared that he meets with Kathy and Mary Ann daily to go over the payables and we watch the cash flow. Terry has drafted up a report that shows the trend for accounts payable all the way to 120 days. Over 120 days</p>	

<p>Medicare Cost Report 2011 (year end)</p> <p>Bank Loan</p> <p>Extension of CEO agreement</p> <p>Finance Committee</p>	<p>we have over \$354,463 in account payable.</p> <p>We have a settlement coming back from medicare from based on the 2011 cost report of additional of \$803k. This will help us reduce the AP. We do need to reserve \$200k incase there are any adjustments from the reports. Terry is hopeful we will receive them in July.</p> <p>The finance committee has approved for Terry to pursue a loan from the banks for additional \$600k in order to retire the debt provided the terms of the loan are reasonable.</p> <p>Currently the CEO agreement runs through July 9<sup>th</sup>. Terry has agreed to extend his agreement to September 14<sup>th</sup>, 2012.</p> <p>The finance committee has agreed to move the finance meeting to the 4<sup>th</sup> Monday of the month (evening before regular board meeting). The reason for that is for staff and CEO to complete and review the financials and have them in a totally complete format and information available to the finance committee members ahead of the board meeting.</p>	<p>A motion was made by Nancy Gorshe; Alan Johnson seconded the motion. The motion passed by unanimous vote.</p>
<p>Strategic Planning update</p>	<p>Terry thought he would share the strategic planning workshop.</p> <p><u>Planning Session Key Initiatives:</u></p> <ol style="list-style-type: none"> <li>1. Establish stable and consistent high quality management</li> <li>2. Improve communications <ul style="list-style-type: none"> <li>– Internal</li> <li>– External</li> </ul> </li> <li>3. Upgrade Information System</li> <li>4. Retire debts</li> <li>5. Evaluate service line opportunities in collaboration with health delivery partners</li> </ol> <p><u>Strategic Planning Values:</u></p> <ul style="list-style-type: none"> <li>• Open Communications</li> </ul>	

	<ul style="list-style-type: none"> <li>• Teamwork and collaboration</li> <li>• Respect and trust</li> <li>• Compassion</li> <li>• Stewardship</li> <li>• Safety</li> <li>• Ethics</li> <li>• Excellence</li> </ul> <p>Terry will be appointing a committee at the next managers meeting. The goal is to take this to all staff including the medical staff this way everyone has a buy in into the values of the organization.</p>	
CEO report	<p>Bank Loans Update: Bank of the Pacific</p> <ul style="list-style-type: none"> <li>– \$740,000 loan</li> <li>– Extended through July 9, 2012</li> <li>– 3.25% Interest Rate</li> <li>– Further extension pending cash flow projections</li> </ul> <p>Medicaid 2010 Cost Settlement Will validate settlement offer (Wipfli) Proposed payment to the hospital from the state of the amount \$259, 413</p> <p>Public Meetings: At the direction of the board of commissioners Terry is establishing community meeting dates and encouraging the public to participate. We want to share the status of the hospital and answer questions but more importantly we want to listen to the concerns the public has. The first meeting will be held in Ocean Park at the fire hall on July 5<sup>th</sup> at 5:30pm, then there will be two more meetings which will be held in Naselle and one here at OBH conference rooms. The dates will be out soon for those meetings.</p> <p>CEO replacement – the commissioners have directed Terry as task force working with PeaceHealth on a management services agreement. This would include the CEO and other management services.</p>	

	Review of the Cash Flow Projection (draft form)	
Medical Staff Appointments / Re appointments	<p>Re appointments: Bruce Burke, CRNA – Active Independent Licensed Practitioner 2 years</p> <p>Appointments: Tele Radiology – Consulting 2 years Lillian Cavin, MD Robert Ueda, MD</p> <p>Tele Stroke – Consulting 2 years Amit Kansara, MD</p>	A motion was made by Alan Johnson; Nancy Gorshe seconded the motion. The motion passed by unanimous vote.
PUBLIC PARTICIPATION	Nancy Campiche opened it for public participation.	
Adjournment	The meeting adjourned at 6:24pm	