
Regular Session Agenda
Wednesday, January 24, 2018

<u>Call to Order:</u>	2:00
<u>Education Topic:</u>	
<ul style="list-style-type: none">• Review/ Revise Board Book• Evaluate Board Compliance	
<u>Break:</u>	3:15
<u>Patient Story:</u> Brandie Manuel	3:30
<u>Approve Agenda:</u>	3:45
<u>Minutes:</u> Action Requested	3:47
<ul style="list-style-type: none">• December 20 Regular Session (pg. 2-5)	
<u>Required Approvals:</u> Action Requested	3:50
<ul style="list-style-type: none">• December Warrants and Adjustments (pg. 6-10)• Resolution 2018-01 Cancel Warrants (pg. 11)	
<u>Public Comment:</u>	4:00
<i>(Alternative methods of providing public comment on any item on the agenda or any other hospital issue is through a letter addressed to Commissioners at 834 Sheridan Street, Port Townsend, WA 98368 or email to Commissioners at commissioners@jgh.org)</i>	
<u>Financial Report:</u> Hilary Whittington, Chief Administrative Officer/CFO	4:10
<ul style="list-style-type: none">• December	
<u>Administrator's Report:</u> Mike Glenn, CEO	4:30
<u>Chief Medical Officer Report:</u> Joe Mattern, MD, CMO	4:50
<u>Housing, Food, and Friends: The JH Population Department Update:</u>	5:05
<ul style="list-style-type: none">• Molly Parker, MD, Medical Director of Population Health• Dunia Faulx, Population Health Manager• Tina Herschelman, Population Health, Marketing and Community Engagement Coordinator	
<u>Board Business:</u> Action Requested	5:30
<ul style="list-style-type: none">• Adopt Board Book• Adopt Board Calendar• Adopt Committee Assignments	
<u>Conclude:</u>	5:35

This Regular Session will be officially audio recorded.
Times shown in agenda are estimates only.

**Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, December 20, 2017
Victor J. Dirksen Conference Room**

Call to Order:

The meeting was called to order at 3:30pm by Commissioner Buhler. Present were Commissioners Buhler, Dressler, De Leo, Kolff, and Ready. Also present were Mike Glenn, Chief Executive Officer, Hilary Whittington, Chief Administrative Officer/Chief Financial Officer, Lisa Holt, Chief Ancillary and Specialty Services Officer, Caitlin Harrison, Chief Human Resources Officer, Brandie Manuel, Chief Patient Care officer, Jon French, Chief Legal Officer, and Alyssa Rodrigues, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Patient Story:

Brandie Manuel, Chief Patient Care Officer, spoke about a patient who came in for treatment of an injury that required intervention. Respiratory care staff immediately identified that the patient had been experiencing sleep apnea. Respiratory care worked with nursing staff, social workers, and other care team members to address all the patient's medical needs. Communication and interdepartmental team work resulted in the patient receiving all the necessary care.

Approve Agenda:

Commissioner Dressler made a motion to approve the agenda. Commissioner De Leo seconded.

Commissioner Kolff recommended to switch CEO Compensation and Potential Litigation. Commissioner Dressler seconded.

Action: Amended motion passed unanimously.

Commissioner Buhler recommended to add a Board of Health report under board reports. Commissioner Kolff seconded.

Action: Amended motion passed unanimously.

Action: Main Motion passed unanimously.

Minutes:

- December 6 Regular Session minutes

Commissioner Dressler made a motion to approve the December 6 Regular Session Minutes. Commissioner De Leo seconded.

Action: Motion passed unanimously

Required Approvals:

- November Warrants and Adjustments
- Resolution 2017-44 Surplus Equipment
- Resolution 2017-45 Cancel Warrants

Commissioner De Leo made a motion to approve November Warrants and Adjustment, Resolution 2017-44 Surplus Equipment, and Resolution 2017-45 Canceled Warrants as presented. Commissioner Kolff seconded the motion.

Action: Motion passed unanimously.

Public Comment:

No public comment

Financial Report:

Hilary Whittington, CAO/CFO presented the November Finance Report.

Discussion ensued.

Administrator's Report:

Mike Glenn, CEO, presented the administrator's report.

Discussion ensued.

Chief Medical Officer Report:

CMO, Joe Mattern, was excused.

Resolution 2017-46: Action Requested

- Commissioner Acknowledgment

Commissioner Dressler made a motion to approve Resolution 2017-46. Commissioner Kolff seconded the motion.

Discussion ensued.

Action: Motion passed unanimously.

Resolution 2017-40: Action Requested

- Meeting Change

Commissioner Dressler made a motion to approve Resolution 2017-40. Commissioner Kolff seconded.

Discussion ensued.

Action: Motion passed 4 to1 with Commissioner Dressler, Kolff, Buhler, Ready in favor. Commissioner De Leo opposed.

Board Reports:

Commissioner De Leo reported that the Autopsy policy was still being worked on and will be addressed in January.

Commissioner Buhler announced her term was up for the Board of Health at the end of the year. Commissioner Buhler nominated Commissioner Kolff to be the next representative for the Jefferson County Board of Health.

Discussion ensued.

Action: Motion passed unanimously.

Executive Session: No Action Requested

- Potential Litigation

Commissioners went into Executive Session at 5:00pm.

Commissioner came out of Executive Session at 5:45pm. No public present.

Commissioner went into Executive Session at 5:45pm. Action will be taken.

Commissioner came out of Executive Session at 6:00pm.

Commissioner Kolff made a motion to approve settlement and wave first reading. Commissioner Dressler seconded.

Action: Motion passed unanimously.

Discussion ensued.

Executive Session: Action Requested

- CEO Compensation

Commissioners went into Executive Session at 6:02pm.

Commissioners came out of Executive Session at 6:15pm. No public present.

Commissioner went into Executive Session at 6:15pm.

Commissioners came out of Executive Session at 6:20pm.

Commissioner Dressler made a motion to increase CEO Mike Glenn's salary by 3% as a cost of living adjustment and to allow him to convert up to 100 hours of existing PTO to 457F account and to cash up to 100 hours of existing PTO. Commissioner De Leo seconded.

Discussion ensued.

Action: Motion passed unanimously.

Conclude:

Commissioner Kolff made a motion to conclude the meeting. Commissioner Dressler seconded the motion.

Action: Motion passed unanimously.

Meeting concluded at 6:25pm.

Approved by the Commission:

Chair of Commission: Jill Buhler _____

Secretary of Commission: Marie Dressler _____

DRAFT

**JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368**

**TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: DECEMBER 2017 WARRANT SUMMARY**

The following items need to be approved at the next commission meeting:

General Fund Warrants & ACH Transfers	\$9,956,055.24	(Provided under separate cover)
Bad Debt / Charity	\$509,368.21	(Attached)
Canceled Warrants	\$83.86	(Attached)

**JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368**

**TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: DECEMBER 2017 GENERAL FUND WARRANTS & ACH
FUND TRANSFERS**

Submitted for your approval are the following warrants:

GENERAL FUND:

240809 - 240855	\$4,146,109.49
ACH TRANSFERS	<u>\$5,809,945.75</u>
	<u>\$9,956,055.24</u>
YEAR-TO-DATE:	<u><u>\$102,484,691.56</u></u>

Warrants are available for review if requested.

JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: DECEMBER 2017 BAD DEBT, ADMINISTRATIVE, AND CHARITY CARE WRITE OFFS

Submitted for your approval are the following:

	DECEMBER	DECEMBER YTD	DECEMBER YTD BUDGET
Bad Debts:	\$195,285.20	\$2,778,472.31	\$3,119,220.88
Charity Care:	\$259,875.58	\$1,437,425.97	\$1,315,219.42
Other Administrative Adjustments:	\$54,207.43	\$530,966.56	\$236,906.26
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TOTAL FOR MONTH:	\$509,368.21	\$4,746,864.84	\$4,671,346.56
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JEFFERSON HEALTHCARE
834 SHERIDAN AVENUE
PORT TOWNSEND, WA 98368

TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: DECEMBER 2017 WARRANT CANCELLATIONS

State law requires you to pass a resolution canceling any warrants which are not presented to the Treasurer for payment within one year of issue.

DATE	WARRANT	AMOUNT
12/8/2016	232598	\$ 0.02
12/8/2016	232610	\$ 83.84

TOTAL: \$ 83.86



Gross Revenue

Inpatient Revenue
Outpatient Revenue

Total Gross Revenue

Revenue Adjustments

Cost Adjustment Medicaid
Cost Adjustment Medicare
Charity Care
Contractual Allowances Other
Administrative Adjustments
Adjust Bad Debt

Total Revenue Adjustments

Net Patient Service Revenue

Other Revenue

340B Revenue
Meaningful Use Ehr Incentive
Other Operating Revenue

Total Operating Revenues

Operating Expenses

Salaries And Wages
Employee Benefits
Professional Fees
Purchased Services
Supplies
Insurance
Leases And Rentals
Depreciation And Amortization
Repairs And Maintenance
Utilities
Licenses And Taxes
Other

Total Operating Expenses
Operating Income (Loss)

Non Operating Revenues (Expenses)

Taxation For Maint Operations
Taxation For Debt Service
Investment Income
Interest Expense
Bond Issuance Costs
Gain or (Loss) on Disposed Asset
Contributions

Total Non Operating Revenues (Expenses)

Change in Net Position (Loss)

	December 2017 Actual	December 2017 Budget	Variance Favorable/ (Unfavorable)	%	December 2017 YTD	December 2017 Budget YTD	Variance Favorable/ (Unfavorable)	%	December 2016 YTD
Gross Revenue									
Inpatient Revenue	3,777,508	3,440,818	336,691	10%	45,304,303	40,512,662	4,791,641	12%	34,037,971
Outpatient Revenue	13,133,703	14,417,063	(1,283,360)	-9%	163,990,002	169,748,507	(5,758,504)	-3%	138,908,030
Total Gross Revenue	16,911,211	17,857,881	(946,670)	-5%	209,294,306	210,261,169	(966,863)	0%	172,946,001
Revenue Adjustments									
Cost Adjustment Medicaid	1,046,786	2,191,696	1,144,910	52%	19,265,032	25,805,335	6,540,303	25%	17,941,633
Cost Adjustment Medicare	5,787,041	5,885,377	98,336	2%	73,317,148	69,295,245	(4,021,903)	-6%	52,839,064
Charity Care	259,876	111,704	(148,172)	-133%	1,437,426	1,315,219	(122,207)	-9%	927,129
Contractual Allowances Other	1,417,755	1,251,247	(166,508)	-13%	16,359,466	14,732,354	(1,627,112)	-11%	12,938,279
Administrative Adjustments	54,207	20,121	(34,087)	-169%	530,967	236,906	(294,060)	-124%	191,593
Adjust Bad Debt	195,285	264,921	69,636	26%	2,778,472	3,119,221	340,749	11%	2,784,396
Total Revenue Adjustments	8,760,950	9,725,066	964,116	10%	113,688,511	114,504,281	815,770	1%	87,622,094
Net Patient Service Revenue	8,150,261	8,132,815	17,446	0%	95,605,795	95,756,888	(151,093)	0%	85,323,907
Other Revenue									
340B Revenue	(135,426)	260,240	(395,666)	-152%	2,955,147	3,064,100	(108,953)	-4%	3,202,317
Meaningful Use Ehr Incentive	-	3,397	(3,397)	-100%	(139,301)	40,000	(179,301)	-448%	182,750
Other Operating Revenue	149,246	112,962	36,284	32%	1,562,095	1,330,030	232,065	17%	1,137,779
Total Operating Revenues	8,164,081	8,509,414	(345,333)	-4%	99,983,737	100,191,018	(207,281)	0%	89,846,753
Operating Expenses									
Salaries And Wages	4,237,663	4,211,132	(26,531)	-1%	49,114,544	49,582,452	467,908	1%	42,217,026
Employee Benefits	1,082,647	1,040,241	(42,406)	-4%	12,155,500	12,247,947	92,447	1%	9,863,087
Professional Fees	889,269	290,476	(598,794)	-206%	5,414,218	3,420,100	(1,994,118)	-58%	3,849,640
Purchased Services	359,905	539,996	180,091	33%	5,875,578	6,357,990	482,412	8%	5,942,657
Supplies	1,184,274	1,212,424	28,150	2%	15,763,638	14,275,245	(1,488,393)	-10%	13,387,299
Insurance	55,495	57,754	2,259	4%	608,885	680,000	71,115	10%	676,041
Leases And Rentals	124,290	147,735	23,445	16%	1,405,935	1,739,450	333,516	19%	1,404,702
Depreciation And Amortization	468,265	312,907	(155,358)	-50%	4,435,937	3,684,215	(751,722)	-20%	4,166,369
Repairs And Maintenance	36,777	77,229	40,452	52%	544,993	909,300	364,307	40%	682,861
Utilities	96,029	78,128	(17,901)	-23%	1,029,630	919,889	(109,741)	-12%	838,115
Licenses And Taxes	55,294	46,565	(8,729)	-19%	663,402	548,264	(115,138)	-21%	628,167
Other	237,530	174,830	(62,699)	-36%	1,682,807	2,058,484	375,677	18%	1,770,322
Total Operating Expenses	8,827,437	8,189,416	(638,021)	-8%	98,695,067	96,423,336	(2,271,731)	-2%	85,426,287
Operating Income (Loss)	(663,356)	319,998	(983,354)	-307%	1,288,670	3,767,682	(2,479,012)	-66%	4,420,467
Non Operating Revenues (Expenses)									
Taxation For Maint Operations	379	17,156	(16,777)	-98%	203,582	202,000	1,582	1%	172,921
Taxation For Debt Service	(42)	19,004	(19,045)	-100%	221,504	223,750	(2,246)	-1%	253,816
Investment Income	22,950	6,582	16,368	249%	156,934	77,500	79,434	102%	117,597
Interest Expense	(186,026)	(85,616)	(100,410)	-117%	(799,171)	(1,008,053)	208,882	21%	(527,782)
Bond Issuance Costs	-	(12,740)	12,740	100%	(10,000)	(150,000)	140,000	93%	0
Gain or (Loss) on Disposed Asset	(299)	-	(299)	0%	(30,218)	0	(30,218)	0%	39,355
Contributions	14,037	11,890	2,147	18%	371,049	140,000	231,049	165%	58,535
Total Non Operating Revenues (Expenses)	(149,001)	(43,723)	(105,278)	-241%	113,681	(514,803)	628,483	122%	114,443
Change in Net Position (Loss)	(812,357)	276,275	(1,088,632)	-394%	1,402,350	3,252,879	(1,850,529)	-57%	4,534,910

JEFFERSON COUNTY PUBLIC HOSPITAL DISTRICT NO. 2

RESOLUTION 2018-01

A RESOLUTION CANCELING CERTAIN WARRANTS IN
THE AMOUNT OF \$83.86

WHEREAS warrants of any municipal corporation not presented within one year of their issue, or, that have been voided or replaced, shall be canceled by the passage of a resolution of the governing body;

NOW, THEREFORE BE IT RESOLVED THAT:

In order to comply with RCW 36.22.100, warrants indicated below in the total amount of \$83.86 be canceled.

Date of Issue	Warrant #	Amount
12/8/2016	232598	.02
12/8/2016	232610	83.84
Total		83.86

APPROVED this 24th day of January, 2018.

APPROVED BY THE COMMISSION:

Commission Chair Jill Buhler: _____

Commission Secretary Marie Dressler: _____

Attest:

Commissioner Matt Ready: _____

Commissioner Kees Kolff: _____

Commissioner Bruce McComas: _____