Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, January 24, 2018
Victor J. Dirksen Conference Room

Call to Order:
The meeting was called to order at 2:00pm by Commissioner Buhler. Present were Commissioners Buhler, Dressler, Kolff, Ready, McComas. Also present were Mike Glenn, Chief Executive Officer, Hilary Whittington, Chief Administrative Officer/Chief Financial Officer, Jon French, Chief Legal Officer, Lisa Holt, Chief Ancillary and Specialty Services Officer, Caitlin Harrison, Chief Human Resources Officer, Brandie Manuel, Chief Patient Care officer, Joe Mattern, MD, Chief Medical Officer, and Alyssa Rodrigues, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Education Topic:
• Review/Revise Board book

Commissioners discussed board book.

Commissioner Kolff made a motion to include population health elements in the preamble. Motion died for lack of second.

Commissioner McComas made a motion to change the vision wording to say providing instead of provide. Commissioner Dressler seconded.
Action: Motion passed unanimously.

Commissioner Ready made a motion to approve the board book as amended. Commissioner Dressler seconded.
Action: Motion passed unanimously

• Evaluate Board Compliance
Commissioner Buhler made a motion to hold off on board compliance until Karma Bass, consultant comes in May. Commissioner Dressler seconded.
Action: Motion passed unanimously.

Commissioner discussed OPMA training.

Commissioners discussed January 26, 2018 Legislative Visit.

Commissioner Buhler discussed the board of health meeting minutes 12/21/2017 and also discussed 01/18/18 Board of Health meeting.

Discussion ensued.

Mike Glenn, CEO relayed information from Director’s meeting regarding changing the mission statement.
Commissioner Buhler recessed at 3:00pm
Commissioner Buhler reconvened the meeting at 3:30pm.

**Patient Story:**
Brandie Manuel, Chief Patient Care Officer, gave the patient story regarding flu season, antibiotics, implementing safe antibiotic practices. She announced that Jefferson Healthcare was awarded a place on the Antimicrobial Stewardship Honor Roll. Brandie Manuel read aloud the award letter from Department of Health.

**Approve Agenda:**
Commissioner Buhler suggested putting in board evaluation after board reports and having board reports placed after board business. Commissioner Buhler also mentioned that due to Dr. Mattern being absent there will not be a CMO report.

Commission Dressler made a motion to approve the agenda with suggested changes.
Commissioner McComas seconded.
**Action:** Motion passed unanimously.

**Minutes:**
- December 20 Regular Session minutes
Commissioner Dressler made a motion to approve the December 20 Regular Session Minutes. Commissioner Kolff seconded.
**Action:** Motion passed unanimously

**Required Approvals:**
- December Warrants and Adjustments
- Resolution 2018-01 Cancel Warrants

Commissioner Dressler made a motion to approve December Warrants and Adjustment, Resolution 2018-01 Canceled Warrants as presented. Commissioner Kolff seconded the motion.
**Action:** Motion passed unanimously.

**Public Comment:**
Public comment was made.

**Financial Report:**
Hilary Whittington, CAO/CFO presented the December Finance Report.

Discussion ensued.

**Administrator’s Report:**
Mike Glenn, CEO, presented the administrator’s report.

Discussion ensued.

**Chief Medical Officer Report:**
CMO, Dr. Joe Mattern, was excused.

**Housing, Food, and Friends: The JH Population Department Update:**
Molly Parker, MD Medical Director of Population Health, Dunia Faulx, Population Health Manager, Tina Herschelman, Population Health, Marketing and Community Engagement Coordinator gave their presentation on Housing, Food, and Friends: The JH Population Department update.

Discussion ensued.

**Board Business:**
- Adopt Board Book
- Adopt Board Calendar

Commissioner Kolff made a motion to adopt the board calendar. Commissioner Dressler seconded.
**Action:** Motion passed unanimously.

- Adopt Committee Assignments
Commissioner Kolff made a motion to adopt the 2018 Committee Assignments. Commissioner Dressler seconded.
**Action:** Motion passed unanimously.

**Board Report:**
No board reports.

**Meeting Evaluation:**
Commissioners evaluated the meeting.

**Conclude:**
Commissioner Dressler made a motion to conclude the meeting. Commissioner McComas seconded the motion.
**Action:** Motion passed unanimously.

Meeting concluded at 5:30pm.

Approved by the Commission:

Chair of Commission: Jill Buhler

Secretary of Commission: Marie Dressler
Finance Report
December 2017

Date January 24, 2018
Name Hilary Whittington
Title CAO/CFO

Education
Draft to Final Reports **December draft Disclaimers

- January 2018 – Draft December 2017 Financial Reports
- June 2018 – Final, Audited December 2017 Financial Reports

What will change?

**Revenues**
- Detail review of charges to ensure accurate timing
- 2017 Medicare and Medicaid cost report estimates
- Review allowance calculation compared to actual collections activity
- Reconcile Medicaid managed care enhancement payments
- 340b Revenue reconciliation (and expense)

**Expenses**
- Review accruals for retirement, PTO, and other salary related expenses
- Late invoices - estimates recorded for services/goods received before year end
- Update depreciation expense, detail review of every asset & project
- Reconcile inventory to supply expense; likely increase given magnitude of pharmacy
December 2017
Service Line Highlight – Revenue Cycle Operations

Team work

Decreased Financial Barriers to seeking care
More families to qualify for charity care and patient refunds.

Patient Financial Experience Task Force

December 2017
Operating Statistics

<table>
<thead>
<tr>
<th>STATISTIC DESCRIPTION</th>
<th>DECEMBER ACTUAL</th>
<th>DECEMBER BUDGET</th>
<th>% VARIANCE</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>% VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTEs - TOTAL (AVG)</td>
<td>540.72</td>
<td>515.96</td>
<td>-5%</td>
<td>519.88</td>
<td>515.96</td>
<td>-1%</td>
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<tr>
<td>FTEs - PRODUCTIVE (AVG)</td>
<td>493.66</td>
<td>515.96</td>
<td>4%</td>
<td>467.40</td>
<td>451.10</td>
<td>-4%</td>
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<td>ADJUSTED PATIENT DAYS</td>
<td>2,275</td>
<td>2,170</td>
<td>5%</td>
<td>23,724</td>
<td>25,550</td>
<td>-7%</td>
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<tr>
<td>ICU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>104</td>
<td>82</td>
<td>27%</td>
<td>1,075</td>
<td>984</td>
<td>9%</td>
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<tr>
<td>ACU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>410</td>
<td>316</td>
<td>36%</td>
<td>4,111</td>
<td>3,792</td>
<td>8%</td>
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<tr>
<td>SWING IP PATIENT DAYS (MIDNIGHT CENSUS)</td>
<td>7</td>
<td>9</td>
<td>-8%</td>
<td>10</td>
<td>7</td>
<td>-7%</td>
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<tr>
<td>PATIENT DAYS (ACU, ICU, SWING), INCLUDES OBSERVATION</td>
<td>545</td>
<td>458</td>
<td>10%</td>
<td>5,368</td>
<td>5,496</td>
<td>-2%</td>
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<tr>
<td>BIRTHS</td>
<td>6</td>
<td>9</td>
<td>-13%</td>
<td>125</td>
<td>108</td>
<td>16%</td>
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<tr>
<td>SURGERY MINUTES (IN OR)</td>
<td>7,441</td>
<td>8,563</td>
<td>-13%</td>
<td>108,050</td>
<td>102,716</td>
<td>6%</td>
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<td>SPECIAL PROCEEDURE CASES</td>
<td>51</td>
<td>127</td>
<td>-60%</td>
<td>720</td>
<td>3,324</td>
<td>-53%</td>
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<td>RECOVERY MINUTES</td>
<td>3,015</td>
<td>6,708</td>
<td>-55%</td>
<td>37,809</td>
<td>80,806</td>
<td>-53%</td>
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<td>LAB BILLABLE TESTS</td>
<td>13,698</td>
<td>17,306</td>
<td>-25%</td>
<td>204,659</td>
<td>217,672</td>
<td>-9%</td>
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<tr>
<td>TOTAL DIAGNOSTIC IMAGING TESTS</td>
<td>2,226</td>
<td>2,278</td>
<td>-2%</td>
<td>28,164</td>
<td>27,336</td>
<td>3%</td>
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<td>TOTAL RURAL HEALTH CLINIC VISITS</td>
<td>3,921</td>
<td>4,035</td>
<td>-2%</td>
<td>52,708</td>
<td>55,620</td>
<td>-5%</td>
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<td>APHC PATIENT VISITS (ENCOUNTERS)</td>
<td>391</td>
<td>475</td>
<td>-21%</td>
<td>5,529</td>
<td>5,700</td>
<td>3%</td>
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<td>GEN SURG PATIENT VISITS</td>
<td>210</td>
<td>350</td>
<td>62%</td>
<td>3,099</td>
<td>4,200</td>
<td>-26%</td>
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<tr>
<td>ORTHO PATIENT VISITS</td>
<td>503</td>
<td>1,042</td>
<td>-52%</td>
<td>7,381</td>
<td>12,504</td>
<td>-41%</td>
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<td>INFUSION CENTER VISITS</td>
<td>456</td>
<td>469</td>
<td>-3%</td>
<td>6,441</td>
<td>5,628</td>
<td>14%</td>
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<td>WOUND CARE VISITS</td>
<td>189</td>
<td>313</td>
<td>-40%</td>
<td>3,120</td>
<td>3,716</td>
<td>-17%</td>
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<tr>
<td>ONCOLOGY VISITS</td>
<td>236</td>
<td>395</td>
<td>-35%</td>
<td>3,832</td>
<td>4,740</td>
<td>23%</td>
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<tr>
<td>ANTI COAG VISITS</td>
<td>416</td>
<td>552</td>
<td>-21%</td>
<td>6,271</td>
<td>6,634</td>
<td>-5%</td>
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<tr>
<td>SLEEP CLINIC VISITS</td>
<td>161</td>
<td>212</td>
<td>-24%</td>
<td>1,932</td>
<td>2,544</td>
<td>24%</td>
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<tr>
<td>CARDIOLOGY CLINIC</td>
<td>208</td>
<td>205</td>
<td>-1%</td>
<td>2,082</td>
<td>2,460</td>
<td>-15%</td>
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<tr>
<td>WOMENS CLINIC</td>
<td>51</td>
<td>149</td>
<td>-66%</td>
<td>1,898</td>
<td>1,488</td>
<td>28%</td>
</tr>
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</table>

3/1/2018
### December 2017
### Income Statement Summary

#### Operating Revenue

<table>
<thead>
<tr>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>Budget</td>
<td>(Unfavorable)</td>
<td>(Unfavorable)</td>
<td>YTD</td>
<td>YTD</td>
<td>(Unfavorable)</td>
<td>(Unfavorable)</td>
</tr>
<tr>
<td>Gross Patient Service Revenue</td>
<td>16,911,211</td>
<td>17,857,881</td>
<td>(946,670)</td>
<td>-5%</td>
<td>210,261,169</td>
<td>(966,863)</td>
<td>-5%</td>
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<tr>
<td>Revenue Adjustments</td>
<td>8,700,950</td>
<td>8,725,066</td>
<td>964,116</td>
<td>10%</td>
<td>114,504,201</td>
<td>810,770</td>
<td>1%</td>
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<tr>
<td>Net Patient Service Revenue</td>
<td>8,150,261</td>
<td>8,132,815</td>
<td>17,446</td>
<td>0%</td>
<td>95,756,806</td>
<td>956,863</td>
<td>0%</td>
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<tr>
<td>Other Revenue</td>
<td>13,919</td>
<td>278,386</td>
<td>356,799</td>
<td>95%</td>
<td>4,377,942</td>
<td>4,434,130</td>
<td>596,788</td>
</tr>
</tbody>
</table>

**Total Operating Revenue**

8,164,081

8,509,414

(345,333)

-4%

88,488,735

99,983,737

(1,494,002)

-1%

89,846,753

#### Operating Expenses

<table>
<thead>
<tr>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
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<tr>
<td>Actual</td>
<td>Budget</td>
<td>(Unfavorable)</td>
<td>(Unfavorable)</td>
<td>YTD</td>
<td>YTD</td>
<td>(Unfavorable)</td>
<td>(Unfavorable)</td>
</tr>
<tr>
<td>Salaries And Wages</td>
<td>4,237,663</td>
<td>4,211,132</td>
<td>(26,531)</td>
<td>-1%</td>
<td>49,114,544</td>
<td>48,992,452</td>
<td>907,699</td>
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<tr>
<td>Employee Benefits</td>
<td>1,082,647</td>
<td>1,048,241</td>
<td>(34,406)</td>
<td>-3%</td>
<td>12,155,500</td>
<td>12,247,947</td>
<td>92,447</td>
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<tr>
<td>Other Expenses</td>
<td>3,507,127</td>
<td>2,938,043</td>
<td>(569,084)</td>
<td>-19%</td>
<td>37,425,023</td>
<td>34,592,938</td>
<td>(2,832,085)</td>
</tr>
</tbody>
</table>

**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)

<table>
<thead>
<tr>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
<th>December 2017</th>
<th>December 2017</th>
<th>Variance</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>(663,356)</td>
<td>319,998</td>
<td>(983,354)</td>
<td>-307%</td>
<td>(2,271,731)</td>
<td>628,483</td>
<td>113,681</td>
<td>122%</td>
</tr>
</tbody>
</table>

#### Total Non Operating Revenues (Expenses)

(149,981)

(43,723)

(105,278)

-241%

116,443

#### Change in Net Position (Loss)

(812,357)

276,275

(1,088,632)

-394%

4,534,910

### December 2017
### Cash and Accounts Receivable

#### Days Cash and Accounts Receivable

![Days Cash and Accounts Receivable Chart](chart_url)

- **Days Cash and Accounts Receivable Chart**
- **Days Cash Goal - 60**
- **Days Accounts Receivable Goal - 45**
- **Days Outstanding in Accounts Receivable**

#### Days of Cash

- **Days of Cash Chart**

#### Days Outstanding in A/R

- **Days Outstanding in A/R Chart**

#### Days Accounts Receivable Goal

- **Days Accounts Receivable Goal Chart**

#### Days of Cash

- **Days of Cash Chart**

### December 2017
### Income Statement Summary

- **Operating Revenue**
  - Gross Patient Service Revenue: 16,911,211
  - Revenue Adjustments: 8,700,950
  - Net Patient Service Revenue: 8,150,261
  - Other Revenue: 13,919

- **Total Operating Revenue**: 8,164,081

- **Operating Expenses**
  - Salaries And Wages: 4,237,663
  - Employee Benefits: 1,082,647
  - Other Expenses: 3,507,127

- **Total Operating Expenses**: 8,827,437

- **Operating Income (Loss)**: (663,356)

- **Total Non Operating Revenues (Expenses)**: (149,981)

- **Change in Net Position (Loss)**: (812,357)

### December 2017
### Cash and Accounts Receivable

- **Days Cash and Accounts Receivable Chart**
- **Days Cash Goal - 60**
- **Days Accounts Receivable Goal - 45**
- **Days Outstanding in A/R**

- **Days of Cash**

- **Days Outstanding in A/R**

- **Days Accounts Receivable Goal**

### December 2017
### Income Statement Summary

- **Operating Revenue**
  - Gross Patient Service Revenue: 16,911,211
  - Revenue Adjustments: 8,700,950
  - Net Patient Service Revenue: 8,150,261
  - Other Revenue: 13,919

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  - Salaries And Wages: 4,237,663
  - Employee Benefits: 1,082,647
  - Other Expenses: 3,507,127

- **Total Operating Expenses**: 8,827,437

- **Operating Income (Loss)**: (663,356)

- **Total Non Operating Revenues (Expenses)**: (149,981)

- **Change in Net Position (Loss)**: (812,357)
**December 2017**

**Board Financial Report**

<table>
<thead>
<tr>
<th>Dept. Department Description</th>
<th>Rev/Exp</th>
<th>Account</th>
<th>Account Description</th>
<th>December Actual</th>
<th>December Budget</th>
<th>Variance</th>
<th>YTD Actual</th>
<th>YTD Budget</th>
<th>YTD Variance</th>
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<tr>
<td>86110 BOARD</td>
<td>Exp</td>
<td>600010</td>
<td>MANAGEMENT &amp; SUPERVISION WAGES</td>
<td>2,728.00</td>
<td>4,647.00</td>
<td>(1,919.00)</td>
<td>51,589.00</td>
<td>54,720.00</td>
<td>(3,131.00)</td>
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<td></td>
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<td>602300</td>
<td>CONSULT MGMT FEE</td>
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<td>-</td>
<td>16,653.00</td>
<td>-</td>
<td>16,653.00</td>
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<td></td>
<td></td>
<td>602500</td>
<td>AUDIT FEES</td>
<td>372.00</td>
<td>2,970.00</td>
<td>(2,601.00)</td>
<td>31,354.00</td>
<td>35,000.00</td>
<td>(3,646.00)</td>
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<td></td>
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<td>604200</td>
<td>CATERING</td>
<td>55.00</td>
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<td>(44.00)</td>
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<td>OFFICE SUPPLIES</td>
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<td>604850</td>
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<td>604900</td>
<td>OTHER NON-MEDICAL SUPPLIES</td>
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<td>OTHER PAID SERVICES</td>
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<td>609900</td>
<td>TRAVEL/MEETING/TRAINING</td>
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<td>1,090.00</td>
<td>(1,054.00)</td>
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<td>MISC OTHER EXP</td>
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<td>-</td>
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<td>Exp Total</td>
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<td></td>
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<td>14,089.00</td>
<td>10,267.00</td>
<td>3,822.00</td>
<td>128,949.00</td>
<td>120,883.00</td>
<td>8,066.00</td>
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<td>BOARD Total</td>
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<td></td>
<td></td>
<td>14,089.00</td>
<td>10,267.00</td>
<td>3,822.00</td>
<td>128,949.00</td>
<td>120,883.00</td>
<td>8,066.00</td>
</tr>
</tbody>
</table>

**January 2018**

Preview — (*as of 01/16/18)*

- **$19,090,000 in HB charges**
  - Average: $583,000/day (HB only)
  - Budget: $560,500/day

- **$7,680,000 in HB cash collections**
  - Average: $254,000/day (HB only)
  - Goal: $255,000/day

- **48.0 Days in A/R**

- **Any Questions?**
Mission:

The Mission of Jefferson Healthcare is working together to serve our community with personalized care and medical excellence.

**Our Mantra 2011:**
Before you can get from good to great you have to get to good.

**Our Mantra 2018:**
The only thing keeping us from extraordinary is our will to achieve it.
Vision:
Jefferson Healthcare will be the community’s first choice for quality health care by providing exceptional patient care to every person we serve.

We will do this by:
- Delivering the safest, highest quality care of any health care organization in our region,
- Championing an engaged workforce by inspiring professional excellence and personal commitment to the success of our organization,
- Providing leadership to improve the health, wellness and vitality of our community,
- Demonstrating fiscal stewardship and thoughtful decision making to provide sustainable high value care to all residents of our community.

Values:

<table>
<thead>
<tr>
<th>Respect</th>
<th>Team Work</th>
<th>Stewardship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compassion</td>
<td>Integrity</td>
<td>Excellence</td>
</tr>
</tbody>
</table>
Investment in Primary Care

• Focus on meeting access goals outlined in Strategic Plan.
  
<table>
<thead>
<tr>
<th>Patient Status</th>
<th>Access Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Patient</td>
<td>30 Days or Less</td>
</tr>
<tr>
<td>Establish Patient</td>
<td>10 Days or Less</td>
</tr>
<tr>
<td>Hospital Discharge</td>
<td>14 Days or Less</td>
</tr>
</tbody>
</table>

• Focus on meeting provider engagement goals and addressing provider burnout as outlined in strategic plan.
  • Maslach Inventory

• Recruit and onboard new clinic managers.
  • Lindsey Dykes, Port Ludlow, South County, Cardiology

• Explore the utility of telehealth in improving access and the primary care experience for some of our patients.

---

Investment in Primary Care

• New Port Ludlow clinic finally staffed and RHC designated.

• Jefferson Healthcare Express Clinic scheduled to open February 5, 2018
  • 3 Exam rooms, located adjacent to new Emergency Departments
  • Open 7 days a week, 10am-8pm
  • Staffed by ARNP/PA; Medical Oversight Provided by Dr. Reina Parker
  • Managed by Mary Feeney as an interface between Primary Care and Emergency Dept.
  • Licensed as RHC; lower cost alternative to Emergency Department but also provides a sustainable revenue model.
Investment in Primary Care
Adding 7 new providers since October, 2017

Sarah Heiner, MD, JHFM
Char Hallowell, PA, JHPC
Chrystal Schwartz, MD, JHFM
Heather Sullivan, ARNP, JHPC
Laura Wulff, MD, JHPLC
Rachel Sverchek, PA, JHFM
Kari, Griffin-Harte, PA, JHIM, 03/26

Quality and Accreditation

• Prepare for DNV re-accreditation
  • March- April likely survey date
  • Seek Orthopedic Services Center of Excellence designation.

• Maintain ISO 9001 Certification
  • Jefferson Healthcare is the only ISO certified hospital on the peninsula.

• Maintain Commission on Cancer Accreditation
  • Jefferson Healthcare is one of 3 CAHS in the state with this accreditation.

• Seek and maintain AHA Most Wired Hospital recognition
  • Three-peat!

• Seek and maintain AHA/ASA Get with the Guidelines Gold Plus achievement for stroke care
  • Seek AHA Get with the Guidelines recognition for AFIB, Heart Failure, and resuscitation.
  • More dots, Brandie!
Quality and Accreditation

Infrastructure Investments:

- Imprivata – Phase 1 - $220,000
  - Single sign on software enhancement to improve care with access to Epic.

- Vocera – Phase 1 - $125,000
  - Nurse- Nurse- Practitioner direct communication system.

- Philip Central Monitor and Telemetry Upgrade - $410,000
  - Fork lift upgrade to our central monitor & telemetry system.
Quality and Accreditation

- Achieve CMS 5 Star Hospital designation

<table>
<thead>
<tr>
<th></th>
<th>Harrison Medical Center</th>
<th>Jefferson Healthcare</th>
<th>Olympic Medical Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Star Rating</td>
<td>★★</td>
<td>★★★★</td>
<td>★★★★</td>
</tr>
<tr>
<td>Patients who gave their hospital a rating of 9 or 10</td>
<td>67%</td>
<td>74%</td>
<td>68%</td>
</tr>
<tr>
<td>Patients who reported YES, they would definitely recommend the hospital</td>
<td>69%</td>
<td>76%</td>
<td>66%</td>
</tr>
</tbody>
</table>

- Achieve 90 percent/percentile performance in quality indexes as outlined in the strategic plan.

Operational Excellence

2017 was a year of transition, expansion and introduction of new services.

2018 will be a year of internal focus and operational excellence.

Transition
- Completed relocation of services into ESSB
- Completed relocation of services into new Port Ludlow clinic
- Completed numerous administrative and support services relocations
- Completed transition of HHP Cardiology clinic to JH Cardiology clinic

Expansion
- Expanded orthopedic services to 5 ortho providers, 1 physiatrist including 24/7 emergency call coverage.
- Expanded sleep lab beds from 2 to 4
- Expanded Cardiology services to include an additional provider
- Expanded DI service to include Cardiac Nuclear Medicine and 3-D digital mammography
Operational Excellence

**New Services:**

- Introduced Gynecology care and launched a women’s clinic.
- Introduced dermatology care and launched a dermatology clinic and Mohs lab.

**2018 Focus:**

- Develop quality and engagement score cards to drive and monitor performance and focus on reducing the cost of care.
- Focus on improving the quality, safety, satisfaction and efficiency of every service we provide.

<table>
<thead>
<tr>
<th>Quality</th>
<th>Satisfaction</th>
<th>Cost</th>
</tr>
</thead>
</table>

**Crack The Code.**

---

**2018 New and Expanded Services**

- Complete ESSB 3rd floor shell space
  - Dermatology moves to 3rd floor space
  - Cardiology expands to use 2nd floor space
- Convert existing Port Ludlow clinic to a patient care service
- Complete dental clinic build out in Sheridan MOB 2nd floor
- Integrate and expand behavioral health services in primary care clinics.
  - Finalize integration model and implementation plan
  - Hire additional LCSW’s
  - Educate, orient and when ready introduce MAT program
  - Finalize DBH affiliation
- Master Site Plan 2.0
  - Address ‘65 and ‘88 building deficiencies
  - Plan for space needs to accommodate growth and new services
  - 3-5-10 year look-out period
### Growth

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Daily Census</td>
<td>8.25</td>
<td>13.86</td>
<td>15.45</td>
<td>87%</td>
<td>17.62</td>
</tr>
<tr>
<td>Adjusted Patient Days</td>
<td>13,826</td>
<td>19,799</td>
<td>23,724</td>
<td>72%</td>
<td>25,567</td>
</tr>
<tr>
<td>Ed Visits</td>
<td>8,879</td>
<td>10,426</td>
<td>12,690</td>
<td>43%</td>
<td>13,325</td>
</tr>
<tr>
<td>Primary and Specialty Clinic Visits</td>
<td>61,156</td>
<td>94,841</td>
<td>98,616</td>
<td>61%</td>
<td>113,691</td>
</tr>
<tr>
<td>Surgery Cases</td>
<td>1,369</td>
<td>1,736</td>
<td>2,542</td>
<td>86%</td>
<td>2,750</td>
</tr>
<tr>
<td>Lab Tests</td>
<td>165,356</td>
<td>175,333</td>
<td>211,560</td>
<td>28%</td>
<td>225,138</td>
</tr>
<tr>
<td>Diagnostic Imaging Tests</td>
<td>21,079</td>
<td>26,113</td>
<td>28,610</td>
<td>36%</td>
<td>35,836</td>
</tr>
<tr>
<td>Rehab Visits</td>
<td>12,984</td>
<td>15,258</td>
<td>17,885</td>
<td>38%</td>
<td>25,853</td>
</tr>
<tr>
<td>FTE's</td>
<td>362.06</td>
<td>437.16</td>
<td>540.53</td>
<td>49%</td>
<td>584.50</td>
</tr>
<tr>
<td>Payroll</td>
<td>28,337,016</td>
<td>39,147,712</td>
<td>49,114,544</td>
<td>73%</td>
<td>56,550,859</td>
</tr>
</tbody>
</table>

### Financial Viability

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2015</th>
<th>2017 preliminary</th>
<th>% of Growth 2011 vs. 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cash</td>
<td>$13,638,524</td>
<td>$21,879,026</td>
<td>$24,832,315</td>
<td>82%</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$22,499,143</td>
<td>$43,770,061</td>
<td>$49,707,320</td>
<td>121%</td>
</tr>
<tr>
<td>Salaries as % total expenses</td>
<td>50.48%</td>
<td>49.95%</td>
<td>49.76%</td>
<td>-1%</td>
</tr>
</tbody>
</table>
Thought provoking questions:

1) Is this an all inclusive list of 2018 activities?

2) Is there a sufficient overlap between these initiatives and the 2018-2020 Strategic Plan?

3) How accurate is your Crystal Ball?
POPULATION HEALTH

“The health outcomes of a group of individuals, including the distribution of outcomes within the group.”

Population health approach puts health care services into context.

JEFFERSON HEALTHCARE: TRANSITIONING FROM FEE FOR SERVICE TO VALUE

Fee for service  →  Community Health  →  Value-Based Care  →  Population Health

Moving to valued-based care, population health has become a key component of the healthcare system.
HEALTHCARE SYSTEM: TRANSITIONING FROM FEE FOR SERVICE TO VALUE

CURRENT

Fee for service  
Payment Mechanisms  
Shared savings, low risk (ACO)  
Shared savings with risk  
Capitation

FUTURE

Patient  
Subject  
Population

Treatment  
Incentives  
Prevention

HEALTH DETERMINANTS

The majority of our health is determined outside of the medical system.
IMPACT OF POPULATION HEALTH

Low Cost
Better Health

High Cost
Poorer Health

End of 2015 – 2016: 11 visits to the emergency room

2016 Health Care Spend at Jefferson Healthcare:

$117,212.86
2017: 3 visits to the emergency room

2017 Health Care Spend at JH: **$15,422.66**
IMPACT OF POPULATION HEALTH

Low Cost
Better Health

High Cost
Poorer Health

2018-2019 POPULATION HEALTH STRATEGIES

Housing

Friends

Food
The lack of safe, affordable housing has serious implications for **health** and **cost**.
2018-2019 POPULATION HEALTH STRATEGIES

**FOOD INSECURITY**

"The limited or uncertain availability of nutritionally adequate and safe foods or limited or uncertain ability to acquire acceptable foods in socially acceptable ways."

- Higher rates of chronic conditions
- High risk for hospitalization
- Greater healthcare costs for individuals with food insecurity (+$1,863/year)
- WA State estimates food insecurity contributes $3.22B to healthcare costs
FOOD INSECURITY IN JEFFERSON COUNTY

<table>
<thead>
<tr>
<th>Population</th>
<th>Food Insecurity Rate</th>
<th>Estimated Number of Food Insecure Individuals (rounded)</th>
<th>% Below 200% Poverty Likely Income Eligibility for Federal Nutrition Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jefferson County</td>
<td>30,083</td>
<td>13.6%</td>
<td>4,110</td>
</tr>
<tr>
<td>WA State</td>
<td>7,170,351</td>
<td>12.8%</td>
<td>915,550</td>
</tr>
</tbody>
</table>

Source: Map The Meal Gap project | map.feedingamerica.org; Henry J. Kaiser Family Foundation | kff.org

JEFFERSON HEALTHCARE’S ROLE

Support Providers
- Collect data on patients who have food insecurity during well-child visits.
- Collate an easily accessible list of resources for providers to give to patients during visits.

Provide Resources to Patients
- Provide limited food in clinics to address immediate needs.
- Connect patients with ongoing programs that address food insecurity including federal and state programs and nutrition counseling services.

Partner with Community Organizations
- Support existing community organizations that work in this space.
- Collaborate with partners to establish a VeggieRx Program.
- Act as an advocate for our patients, their families, and our community.
2018-2019 POPULATION HEALTH STRATEGIES

- Friends
- Housing
- Food

The Problem: Social Isolation

How Social Isolation Is Killing Us
The Problem: Support for Working Families

Social Isolation

Overlapping Intergenerational Curriculum

Support for Working Families

Senior Day Health

Daycare/Preschool
The Problem: Support for Working Families

• Safe stimulating daycare
• Kindergarten readiness
• Covers full time work including 12 hour shifts
• Bonding in first year with nearby care
• Employee recruitment and retention

“This is a wonderful idea and I truly hope it happens. Child care is one of the most difficult and frustrating aspects of being a parent. Having this option for my family will be a huge help, especially because my spouse works here at Jefferson Healthcare as well...”

“This please consider this. It would make my life better as well as the people I work with.”

The Problem: Social Isolation

• Socialization.
• Respite.
• Catch medical issues early.
• Decrease ED/hospital visits and emergency placement needs.
• Allow adults to stay in the home longer.

Ease or difficulty finding dependent senior care arrangements

- Very easy/easy
- Neither easy nor difficult
- Difficult/very difficult
- N/A
- Other

How Social Isolation is Killing Us
Next Steps: 
Community Intergenerational Day Program

- Gather community partners
- Develop business model
- Identify funding

Thank you!