Jefferson County Public Hospital District No.2
Board of Commissioners, Regular Session Minutes
Wednesday, March 15, 2017
Victor J. Dirksen Conference Room

Call to Order:
The meeting was called to order at 3:31pm by Commissioner Buhler. Present were Commissioners Buhler, De Leo, Dressler, Kolff, and Ready. Also present were Mike Glenn, CEO, Hilary Whittington, CFO, Steven Feland, CHRO, Lisa Holt, CAO, and Alyssa Rodrigues, Administrative Assistant. This meeting was officially audio recorded by Jefferson Healthcare.

Approve Agenda:
Commissioner De Leo made a motion to approve the March 15 regular session agenda. Commissioner Dressler seconded the motion.

Commissioner De Leo made an amendment to add an agenda item of adopting the WSHA statement on Immigration Executive Order under board reports. Commissioner Dressler seconded.

Action: Amended motion made by Commissioner De Leo passed unanimously.

Action: Main motion made by Commissioner De Leo passed unanimously.

Patient Story:
Jackie Mossakowski, CNO, reported that the DNV was on campus reviewing processes. She also read aloud a letter regarding a patient's experience with the diabetic educators Amber Benner, and Irene Marble and how the patient recommends them for the highest honors for the Diabetes Association Program.

Minutes:
• March 1 Regular Session minutes
Commissioner De Leo made a motion to approve the March 1 regular session minutes. Commissioner Dressler seconded the motion.

Discussion ensued.

Commissioner Dressler made an amendment to change the action to the motion made by Commissioner De Leo in the March 1 minutes to state the motion failed 3 to 1 with 1 abstention instead of passed 3 to 1 with 1 abstention. Commissioner De Leo seconded.
Action: Amended motion made by Commissioner Dressler passed unanimously.

Commissioner Buhler made an amendment that the motion made by Commissioner De Leo in the March 1 minutes was in reference to taking out the section of Resolution 2017-09 that reads “BE IT FURTHER RESOLVED: that the board call on Congress to make no changes to federal health care policies that would reduce the number of people covered; reduced the level of coverage; raise consumer costs for insurance,
The motion was actually in regards to taking out the section in Resolution 2017-09 that reads “BE IT FINALLY RESOLVED that the Board invite other elected bodies, including but not limited to other public hospital districts and the Washington State legislature to support these goals.” Commissioner De Leo seconded.

**Action:** Amended motion made by Commissioner Buhler passed unanimously.

Discussion ensued.

Commissioner Kolff made a motion to change wording in the action to the motion made by Commissioner De Leo in the March 1 minutes to read, “Commissioner Buhler, Kolff, and Ready opposed, Commissioner De Leo in favor, Commissioner Dressler abstained.” Commissioner De Leo seconded.

**Action:** Amended motion made by Commissioner Kolff passed unanimously.

**Action:** Main motion made by Commissioner De Leo passed unanimously with amended changes.

**Required Approvals:**
- Medical Staff Credentials/Appointments/Reappointments
- February Warrants and Adjustments
- Resolution 2017-11 Cancel Warrants
- Resolution 2017-12 Surplus Equipment
- Resolution 2017-13 Dietary Cash Drawer Increase

Commissioner Dressler made a motion to approve Medical Staff Credentials/Appointments/Reappointments, February Warrants and Adjustment, Resolution 2017-11 Cancel Warrants, Resolution 2017-12 Surplus Equipment, Resolution 2017-13 Dietary Cash Drawer Increase as presented. Commissioner De Leo seconded the motion.

Discussion ensued.

**Action:** Motion passed unanimously.

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

**Resolution 2017-09: A Resolution Regarding Medicare, Medicaid, and Federal Health Insurance Policy:**
Commissioner Kolff made a motion to adopt resolution 2017-09. Commissioner Dressler seconded the motion.

Discussion ensued.

**Action:** Motion passed 4 to 1, Commissioner Buhler, Dressler, Kolff, and Ready in favor. Commissioner De Leo opposed.
Resolution 2017-10: CHIP Resolution:
Commissioner De Leo made a motion to adopt Resolution 2017-10: CHIP Resolution. Commissioner Dressler seconded the motion.

Discussion ensued.
Action: Motion passed unanimously.

Quality and Patient Safety:
Jeinell Harper, Director of Oncology, Infusion, and Wound Care and Luann Rogers, Lead RN Oncology, presented a “Cancer Care at Jefferson Healthcare” presentation in place of the Quality and Patient Safety report

Commissioner Buhler recessed for break at 4:35pm.
Commissioner Buhler reconvened from break at 4:40pm.

Public Comment was made.

Financial Report:
Hilary Whittington, CFO, presented the February financial report.

Discussion ensued.

Administrator’s Report:
Mike Glenn, CEO, presented his administrator’s report regarding strategic goal plans.

Mike Glenn, CEO, asked for a motion from board to authorize administration to take the strategic plan goals the board created at the workshop on March 8, 2017 and begin developing the strategic plan.

Commissioner Dressler made a motion to authorize administration to take the strategic plan goals the board created at the workshop on March 8, 2017 and begin developing the strategic plan. Commissioner De Leo seconded the motion.

Discussion ensued.

Commissioner Ready made an amendment to the motion to add “Improve the Health of the Community” as a separate goal.
Commissioner Kolff seconded.

Discussion ensued.
Action: Amended motion made by Commissioner Ready passed 3 to 2. Commissioner Kolff, Ready, and Buhler in favor. Commissioner Dressler and De Leo opposed.

Discussion ensued.

Commissioner Ready made an amendment to the motion to add “Safeguard and Improve Access to Care” under Service. Commissioner Dressler seconded.
Action: Amended motion made by Commissioner Ready passed unanimously.
Commissioner De Leo made an amendment to the motion to add a goal under Sustainability to add “Reduce Barriers to Access to Care without Threatening the Survivability of Jefferson Healthcare.” Commissioner Dressler seconded.

Discussion ensued.

**Action:** Amended motion made by Commissioner De Leo failed 2 to 1 with 2 abstentions. Commissioner De Leo approved. Commissioner Kolff and Ready opposed. Commissioner Dressler and Buhler abstained.

**Action:** Main motion made by Commissioner Dressler passed unanimously with amended changes.

Mike Glenn, CEO, and Hilary Whittington, CFO, explained the process and details of the Patient Financial Experience Task Force.

Commissioner De Leo and Ready volunteered to be a part of the Patient Financial Experience Task Force.

Mike Glenn, CEO, presented an advocacy update.

**Chief Medical Officer Report:**
Dr. Joe Mattern, CMO, gave an update on the ACO, Behavioral Health, Access in the Primary Care group, and the March 30 Provider Engagement dinner at the NW Maritime Center.

Discussion ensued.

**Board Reports:**
Commissioner De Leo suggested tabling his addition to the agenda until the next meeting.

Commissioner De Leo mentioned the February 27 article in the Port Townsend Leader regarding Wayne King and the PUD's violation of the Open Public Meeting Act.

Commissioner De Leo mentioned the tele-psych providers that were tentatively approved pending the Jefferson Healthcare confidentiality and code of conduct forms, and that most have been returned.

Commissioner De Leo mentioned the great YouTube videos showcasing Jefferson Healthcare Orthopedic providers.

Commissioner De Leo suggested reviewing options for hearing devices to be used in Dirksen Conference Room for Commissioners meetings.

Discussion ensued.
Commissioner Buhler distributed the February 16 Board of Health meeting minutes.

Commissioner Buhler mentioned the University of Washington Japan faculty site visits on March 24 and discussed when it would be appropriate for Commissioners to be present. Commissioner De Leo suggested having details sent to him regarding the visit.

Discussion ensued.

**Conclude:**
Commissioner De Leo made a motion to conclude the meeting. Commissioner Kolff seconded the motion.

**Action:** Motion passed unanimously.

Meeting concluded at 6:22pm.

Approved by the Commission:

President of Commission: Jill Buhler ________________________________

Secretary of Commission: Marie Dressler ________________________________
Cancer Care at Jefferson Healthcare

A personalized experience

Our Story

Jefferson Healthcare has been caring for the people of Jefferson County for more than 125 years.

St John’s Hospital ca. 1890s

St John’s Hospital ca. 1920s

Jefferson General Hospital 1995

Jefferson Healthcare Medical Center 2016
Why Cancer Care?

- Jefferson County is the oldest county in Washington State
- 6th oldest county in the United States with a median age of 57
- Jefferson Healthcare Medical Center chose to focus on three services that this demographic will need:
  - orthopedics
  - cardiology
  - oncology
- 1 in 2 American men and 1 in 3 women will be diagnosed with cancer in their lifetime.
- Leading cause of death in Jefferson County and Washington State

Cancer Needs Assessment

- In 2016 there were 170 new cancer patients who were diagnosed or received treatment at Jefferson Healthcare, with the most common sites of breast (29.5%), prostate (15.4%), lung (10%), colon (8.4%), and bladder (7.4%).
Driving Quality

- Commission on Cancer today
  - Establish and ensure high quality multidisciplinary care
  - Requires cancer prevention and screening programs
  - Goal setting
  - Develops effective research & educational programs to achieve goals.

CoC Accreditation video

CoC Gold Standard spoke to our mission statement

The only national accreditation program that recognizes cancer centers for their commitment to providing comprehensive, high quality, multidisciplinary patient centered care.
2016 Goals Accomplished

Clinical Goal: Improve Advanced Directive completion
- Base line data: 29% of charts reviewed (77 charts) had an advanced directive present
  - Completed staff education
  - 85% of staff have completed an advanced directive and are wearing buttons stating “I have an advanced directive, do you?”
  - Staff talked with patients and gave information and answered questions related to advanced directives
- Results:
  - Follow up chart review: 57% of charts (84 charts) had an advanced directive present

Community Needs Assessment

- Compiled September 2014
- Purpose is to identify the cancer-related needs of the population served
- Utilize the results for outreach (Kick Butts program)
- Utilized results for screening activities (Skin cancer screening at the Health Expo)
- Assessment to be repeated in 2017
2016 Goals Accomplished

✓ Outreach based on Youth Smoking Rates

✓ Completed Skin Cancer Screening

Cancer Committee drives our Cancer Program

Meets very other month and requires the membership of the following team members a minimum of 75% of the time to meet accreditation standards:

- Diagnostic Radiologist-
  Dr. Marc Koenig, MD
- General Surgeon-
  Dr. Jackie Osland, MD
- Medical Oncologist-
  Dr. Anne Murphy, MD
- Radiation Oncologist-
  Dr. Heath Foxlee, MD
- Cancer Liaison Physician-
  Dr. Joe Mattem, MD
- Pathologist-
  Dr. John Hoyt, MD
- Oncology Nurse-
  Jeinell Harper, RN, OCN
- Certified Tumor Registrar-
  Carla Woodward, MSW, CTR
- Cancer Program Administrator-
  Lisa Holt, PhD (C), MS, RN
- Palliative Care professional-
  Mary Landberg, RN
- Social worker-
  Lisa Lawrence, MSW
- Cancer Conference Coordinator-
  Brittany Huntingford
- Quality Improvement Coordinator-
  Rebecca Strona, RN
- Cancer Registry Quality Coordinator-
  Rebecca Strona, RN
- Community Outreach Coordinator-
  Tina Herschelman
- Clinical Research Coordinator-
  LuAnn Rogers, RN, OCN
- Psychosocial Services Coordinator-
  Lisa Lawrence, MSW
Provider members of Cancer Conference

Dr. Ann Murphy, MD
Medical Oncology, treating all cancer patients with a specialty in breast cancer.

Dr. Kurt Norman, MD
Medical Oncology, also treats all cancer patients with a specialty in Hematology.

Rebecca Kimball, ARNP
Medical Oncology, has a strong background in family and internal medicine.
Providing high quality, patient-centered cancer care.
Offering as many cancer treatment services as possible
Keeping patients local to reduce fatigue and travel outside of the community for their cancer care.

Oncology Nursing Services

- All nursing staff who administer chemotherapy are oncology certified.
  - Members of Puget Sound Oncology Nursing Society
- Oncology Certification what does it mean?
  - 1,000 hours of oncology nursing
  - Complete 6 week course
  - Pass an exam
  - Log ongoing continuing education in Oncology
  - Recertify every 4 years.
Our oncology care team

![Image of oncology care team]

The care from a patient's eyes

We came down from Alaska to have treatment at the Seattle Cancer Care Alliance, but rented a place in Port Townsend. After a few months, I ended up in the Jefferson Healthcare emergency room with a terrible infection. The emergency room staff were very kind and quickly diagnosed me and sent me upstairs. Besides having a room with an incredible view, the staff went overboard in their care. I was thin, weak, unable to eat and very depressed. They sent someone up daily from the kitchen to try and find something I could ingest. They came up with protein shakes, different flavors for each meal that I could slowly sip and gain nutrients.

The hospitalist, Dr. Chris Geidt, looked after me but went way above the usual doctor relationship. Besides good medical care, he made sure we had his contact info and followed up with us after I went to Swedish for further care. He became invaluable to us at that time. He was someone we could trust and he liaised with Swedish for us. He was adamant they find the cause of the infection and not just send me home after getting the infection under control.

Once back in Port Townsend, I had daily visits to the outpatient facility. I had good treatment at SCCA, but no care. I was still weak and depressed when Rebecca Kimball took us under her wing. We ended up transferring our care to Jefferson Healthcare because of Rebecca and the personalized cancer care I have received has been amazing.

Everyone in oncology knows my name and my health situation and they all make a point of saying hello when I come in for my drips. They have given me moral support as well as life saving healthcare. The treatment is working and I am now strong enough to take a break while we pursue our next step. We have since moved here because of the kindness and involvement we have received here. I am deeply grateful for the care and treatment I have received.

"Alexandra Feit"
Emergency & Specialty Services
Building 2016

“We saved our best view for our sickest patients”
~Mike Glenn, CEO Jefferson Healthcare

“The attentive, humane, understanding care I have received here is without equal”
~Jim O’Neill, patient
“I’m proud to report that at every point where resources were requested... the answer has always been: ‘Yes! We can do that’.”

~ Dr. Ann Murphy, Jefferson Healthcare Oncologist

Supportive Services

- Cancer Navigation Services
- Genetic Counseling
- Oncology Resource Center
- Lymphedema Treatment
- Nutrition Services
- Home Health Services
- Look Good Feel better
- Palliative Care
- Cancer Support Groups
- Pain Management Services
- Rehabilitation Services
- Survivorship Program
- Harmony Hill
- Hospice

No questions go unanswered, no processes go unexplained.

~ Diane M. Witcher, patient
Our Story Continues & 2017 goals

- Clinical trials
  - Partnered with Multicare to allow appropriate patients to participate in Clinical Trials at Jefferson Healthcare

- Genetic Counseling
  - Working with Myriad Genetics
  - Rebecca Kimball to receive training in genetic counseling to allow patients to have counseling at Jefferson Healthcare

- Survivorship Care Plans
  - Started in June 2016
  - 12 care plans are completed

- Oncology Accreditation

live here. thrive here. stay here... because we care

We believe the health of Jefferson County is fueled by the health of its people. That’s why delivering excellent, personalized care right here at home drives everything we do.

Jefferson Healthcare is your local healthcare system, offering the full spectrum of services. So you have access to better care, where you live.

“I believe that I received the best care possible with the added benefit of being only minutes from my home.”

“Joe Daubenberger
Overview of February

High fluctuation in inpatient census

Clinic and ED volumes generally exceeded budget, but other ancillary services did not meet budgeted levels

Reconciliation of year to date expenses and revenues as 2016 is truly closed out; some late invoices from January

Overall, February was a bumpy month
Accrual vs. Cash Accounting

Accrual (what we do):
- Revenues recognized when earned
- Account for things when they happen, not when you pay for them
- Invoices/expenses are recorded as soon as we learn of the amount due
- Amortize expenses over the applicable time (depreciation, prepaids)

Cash accounting:
- Revenue recognized when cash is received
- Only record transactions when cash is exchanged
- Recognize expenses when paid, not when incurred

February Census
Average daily census = 15.14
Year to Date Census
Average daily census = 16.21

March Census
Average daily census = 14.38
### Operating Statistics
#### February 2017

<table>
<thead>
<tr>
<th>STATISTIC DESCRIPTION</th>
<th>FEBRUARY BUDGET</th>
<th>FEBRUARY ACTUAL</th>
<th>QUANTITY VARIANCE</th>
<th>% VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>74</td>
<td>87</td>
<td>13</td>
<td>17%</td>
</tr>
<tr>
<td>ACU PATIENT DAYS (IP + OBSERVATION, MIDNIGHT CENSUS)</td>
<td>285</td>
<td>119</td>
<td>84</td>
<td>12%</td>
</tr>
<tr>
<td>SWING IP PATIENT DAYS (MIDNIGHT CENSUS)</td>
<td>53</td>
<td>2</td>
<td>(51)</td>
<td>-96%</td>
</tr>
<tr>
<td>PATIENT DAYS (ACU, ICU, SWING), INCLUDES OBSERVATION</td>
<td>414</td>
<td>405</td>
<td>(9)</td>
<td>-1%</td>
</tr>
<tr>
<td>BIRTHS</td>
<td>8</td>
<td>7</td>
<td>(1)</td>
<td>-13%</td>
</tr>
<tr>
<td>SURGERY MINUTES (IN OR)</td>
<td>7,734</td>
<td>6,784</td>
<td>(950)</td>
<td>-12%</td>
</tr>
<tr>
<td>SPECIAL PROCEDURE CASES</td>
<td>155</td>
<td>61</td>
<td>(94)</td>
<td>-42%</td>
</tr>
<tr>
<td>RECOVERY MINUTES</td>
<td>6,986</td>
<td>7,537</td>
<td>1,451</td>
<td>24%</td>
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<tr>
<td>LAB BILLABLE TESTS</td>
<td>15,621</td>
<td>17,087</td>
<td>1,456</td>
<td>9%</td>
</tr>
<tr>
<td>TOTAL BLOOD BANK UNITS MATCHED</td>
<td>42</td>
<td>61</td>
<td>19</td>
<td>44%</td>
</tr>
<tr>
<td>TOTAL RADIOLOGY TESTS</td>
<td>1,299</td>
<td>1,112</td>
<td>13</td>
<td>1%</td>
</tr>
<tr>
<td>MRIS COMPLETED</td>
<td>149</td>
<td>132</td>
<td>(17)</td>
<td>-11%</td>
</tr>
<tr>
<td>CT SCANS COMPLETED</td>
<td>139</td>
<td>149</td>
<td>10</td>
<td>3%</td>
</tr>
<tr>
<td>ULTRASOUND COMPLETED</td>
<td>236</td>
<td>259</td>
<td>23</td>
<td>10%</td>
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<tr>
<td>NUC MED TESTS</td>
<td>35</td>
<td>5</td>
<td>(30)</td>
<td>-86%</td>
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<tr>
<td>TOTAL DIAGNOSTIC IMAGING TESTS</td>
<td>2,958</td>
<td>2,057</td>
<td>(800)</td>
<td>-3%</td>
</tr>
</tbody>
</table>

### Operating Statistics
#### February 2016

<table>
<thead>
<tr>
<th>STATISTIC DESCRIPTION</th>
<th>FEBRUARY BUDGET</th>
<th>FEBRUARY ACTUAL</th>
<th>QUANTITY VARIANCE</th>
<th>% VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL PHARMACY UNITS</td>
<td>10,188</td>
<td>20,704</td>
<td>10,516</td>
<td>101%</td>
</tr>
<tr>
<td>TOTAL RESPIRATORY THERAPY PROCEDURES</td>
<td>2,617</td>
<td>2,834</td>
<td>217</td>
<td>8%</td>
</tr>
<tr>
<td>ER CENSUS</td>
<td>922</td>
<td>961</td>
<td>41</td>
<td>4%</td>
</tr>
<tr>
<td>SOC Patient Visits (Encounters)</td>
<td>160</td>
<td>188</td>
<td>28</td>
<td>18%</td>
</tr>
<tr>
<td>JHPC &amp; IMPS Patient Visits (Encounters)</td>
<td>2,316</td>
<td>2,567</td>
<td>191</td>
<td>8%</td>
</tr>
<tr>
<td>JHIM Patient Visits (Encounters)</td>
<td>1,162</td>
<td>1,163</td>
<td>1</td>
<td>0%</td>
</tr>
<tr>
<td>JHIM Patient Visits (Encounters)</td>
<td>348</td>
<td>740</td>
<td>192</td>
<td>33%</td>
</tr>
<tr>
<td>TOTAL RURAL HEALTH CLINIC VISITS</td>
<td>4,186</td>
<td>4,598</td>
<td>412</td>
<td>10%</td>
</tr>
<tr>
<td>JHPC Patient Visits (Encounters)</td>
<td>429</td>
<td>489</td>
<td>60</td>
<td>14%</td>
</tr>
<tr>
<td>GEN Surg Patient Visits</td>
<td>316</td>
<td>263</td>
<td>(53)</td>
<td>-17%</td>
</tr>
<tr>
<td>Ortho Patient Visits</td>
<td>941</td>
<td>481</td>
<td>(460)</td>
<td>-49%</td>
</tr>
<tr>
<td>Infusion Center Visits</td>
<td>424</td>
<td>520</td>
<td>96</td>
<td>23%</td>
</tr>
<tr>
<td>Wound Clinic Visits</td>
<td>283</td>
<td>225</td>
<td>(58)</td>
<td>-20%</td>
</tr>
<tr>
<td>Oncology Visits</td>
<td>357</td>
<td>273</td>
<td>(84)</td>
<td>-23%</td>
</tr>
<tr>
<td>Anti Coag Visits</td>
<td>499</td>
<td>465</td>
<td>(34)</td>
<td>-7%</td>
</tr>
<tr>
<td>Sleep Clinic Visits</td>
<td>121</td>
<td>122</td>
<td>(1)</td>
<td>-20%</td>
</tr>
<tr>
<td>Cardiology Clinic</td>
<td>205</td>
<td>164</td>
<td>(41)</td>
<td>-20%</td>
</tr>
</tbody>
</table>
### February Revenues and adjustments

<table>
<thead>
<tr>
<th></th>
<th>February 2017 Actual</th>
<th>February 2017 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>February 2016 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tuition Revenue</td>
<td>3,577,449</td>
<td>3,587,020</td>
<td>-94,000</td>
<td>-2%</td>
<td>3,562,367</td>
<td>900,621</td>
<td>2,962,505</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>11,102,059</td>
<td>13,172,700</td>
<td>(2,060,641)</td>
<td>-16%</td>
<td>8,675,295</td>
<td>(6,294,705)</td>
<td>(10,970,095)</td>
</tr>
<tr>
<td>Total Gross Revenue</td>
<td>15,679,498</td>
<td>16,759,720</td>
<td>(1,070,222)</td>
<td>-6%</td>
<td>12,237,662</td>
<td>(6,294,705)</td>
<td>(10,970,095)</td>
</tr>
</tbody>
</table>

### February Revenues Adjustments

<table>
<thead>
<tr>
<th></th>
<th>February 2017 Actual</th>
<th>February 2017 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>February 2016 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Adjustment Revenue</td>
<td>2,106,088</td>
<td>2,040,572</td>
<td>28,010</td>
<td>3%</td>
<td>1,946,994</td>
<td>56,788</td>
<td>1,954,491</td>
</tr>
<tr>
<td>Cost Adjustment Revenue</td>
<td>9,488,900</td>
<td>9,451,054</td>
<td>1,106</td>
<td>0%</td>
<td>9,409,760</td>
<td>11,283</td>
<td>9,273</td>
</tr>
<tr>
<td>Change in reserve</td>
<td>398,850</td>
<td>209,000</td>
<td>28,850</td>
<td>14%</td>
<td>577,378</td>
<td>340,298</td>
<td>190,000</td>
</tr>
<tr>
<td>Total Revenues Adjustments</td>
<td>1,723,836</td>
<td>1,258,592</td>
<td>465,244</td>
<td>38%</td>
<td>1,873,870</td>
<td>(1,233,688)</td>
<td>1,326,749</td>
</tr>
</tbody>
</table>

### February Total Revenue Adjustments

<table>
<thead>
<tr>
<th></th>
<th>February 2017 Actual</th>
<th>February 2017 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>February 2016 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>16,382,330</td>
<td>16,168,208</td>
<td>214,122</td>
<td>1%</td>
<td>14,060,532</td>
<td>1,307,776</td>
<td>12,752</td>
</tr>
</tbody>
</table>

### February Other Revenue

<table>
<thead>
<tr>
<th></th>
<th>January 1 Actual</th>
<th>January 2 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>January 3 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life &amp; Health</td>
<td>304,242</td>
<td>307,768</td>
<td>(3,526)</td>
<td>-1%</td>
<td>308,298</td>
<td>(3,526)</td>
<td>(301,772)</td>
</tr>
<tr>
<td>Other Operating</td>
<td>40,759</td>
<td>50,200</td>
<td>(9,441)</td>
<td>18%</td>
<td>39,487</td>
<td>9,713</td>
<td>49,193</td>
</tr>
<tr>
<td>Total Other</td>
<td>344,991</td>
<td>357,968</td>
<td>(22,977)</td>
<td>-6%</td>
<td>347,785</td>
<td>(22,977)</td>
<td>331,800</td>
</tr>
</tbody>
</table>

### February Total Revenue

<table>
<thead>
<tr>
<th></th>
<th>February 2017 Actual</th>
<th>February 2017 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>February 2016 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>16,727,321</td>
<td>16,526,176</td>
<td>191,145</td>
<td>-1%</td>
<td>14,398,317</td>
<td>1,327,914</td>
<td>13,070</td>
</tr>
</tbody>
</table>

### February Expenses, nonoperating activities, and change in net position

<table>
<thead>
<tr>
<th></th>
<th>February 2017 Actual</th>
<th>February 2017 Budget</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
<th>February 2016 YTD</th>
<th>Variance From/ (Deviations)</th>
<th>% of Variance From/ (Deviations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>3,952,580</td>
<td>3,960,042</td>
<td>(7,462)</td>
<td>-0.2%</td>
<td>4,013,440</td>
<td>(64,848)</td>
<td>3,948,592</td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>3,623,089</td>
<td>3,652,582</td>
<td>(30,493)</td>
<td>-0.8%</td>
<td>3,688,864</td>
<td>(25,776)</td>
<td>3,673,088</td>
</tr>
<tr>
<td>Professional Salary</td>
<td>434,920</td>
<td>438,000</td>
<td>(3,080)</td>
<td>-0.7%</td>
<td>446,484</td>
<td>(2,484)</td>
<td>444,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>5,297,280</td>
<td>5,324,365</td>
<td>(27,085)</td>
<td>-0.5%</td>
<td>5,389,765</td>
<td>(94,405)</td>
<td>5,484,170</td>
</tr>
<tr>
<td>Total Operating</td>
<td>7,797,820</td>
<td>7,744,447</td>
<td>53,373</td>
<td>0.7%</td>
<td>7,842,929</td>
<td>45,497</td>
<td>7,887,649</td>
</tr>
<tr>
<td>Non-Operating Expenses</td>
<td>61,095,092</td>
<td>61,195,275</td>
<td>(90,183)</td>
<td>-0.1%</td>
<td>61,203,947</td>
<td>(787)</td>
<td>61,281,724</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>65,192,912</td>
<td>65,939,722</td>
<td>(746,810)</td>
<td>-1.1%</td>
<td>69,046,876</td>
<td>(4,762)</td>
<td>69,130,473</td>
</tr>
<tr>
<td>Change in net</td>
<td>305,061</td>
<td>357,968</td>
<td>(52,907)</td>
<td>1.5%</td>
<td>348,553</td>
<td>(41,585)</td>
<td>390,135</td>
</tr>
</tbody>
</table>

### Notes

- **Variance From/ (Deviations)**: The difference between actual and budgeted amounts.
- **% of Variance From/ (Deviations)**: The percentage difference between actual and budgeted amounts.
- **Operating Expenses**: Includes salaries and wages, professional salaries, supplies, and total operating expenses.
- **Non-Operating Expenses**: Includes tuition for non-operating expenses, and change in net position.
- **Change in net**: The difference between net income and net loss.

3/30/2017
## Financial Snapshot

February, month and year to date

### Operating Margin

<table>
<thead>
<tr>
<th>February</th>
<th>2017 Actual</th>
<th>February</th>
<th>2017 Budget</th>
<th>Variance</th>
<th>February</th>
<th>2017 YTD</th>
<th>Variance</th>
<th>February</th>
<th>2016 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-7.9%</td>
<td>3.0%</td>
<td>-11.15%</td>
<td>-301.5%</td>
<td>2.5%</td>
<td>1.0%</td>
<td>-1.24%</td>
<td>32.4%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Total margin</td>
<td>-8.2%</td>
<td>3.9%</td>
<td>-11.4%</td>
<td>-391.1%</td>
<td>2.6%</td>
<td>1.2%</td>
<td>-0.64%</td>
<td>30.1%</td>
<td>3.1%</td>
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### Important pass revenue

|-----------|------------|-----------|------------|-----------|------------|-----------|------------|-----------|------------|

### Revenue as % of gross revenue

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### Budget as % of gross revenue

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### Budget vs Actual

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### Budget vs Actual

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</table>

### February FTE Trends

- **Budget FTE = 464.39**
- **Budget Productive = 425.37**
- **Budget FTE = 515.96**
- **Budget Productive = 451.10**

### Graph

- **ACTUAL FTE**
- **ACTUAL PRODUCTIVE FTE**
- **BUDGET FTE**
- **BUDGET PRODUCTIVE FTE**
Days of cash
Total cash / average expenditures per day

Days of cash is an expense-based calculation. Cash decreased 6% ($1.3M)

Cash Reserves
Board designated and total net cash equivalents
Cash Reserves
Excluding 3rd party payor settlements

<table>
<thead>
<tr>
<th>Date</th>
<th>Ending 3/31/16</th>
<th>Ending 4/30/16</th>
<th>Ending 5/31/16</th>
<th>Ending 6/30/16</th>
<th>Ending 7/31/16</th>
<th>Ending 8/31/16</th>
<th>Ending 9/30/16</th>
<th>Ending 10/31/16</th>
<th>Ending 11/30/16</th>
<th>Ending 12/31/16</th>
<th>Ending 1/31/17</th>
<th>Ending 2/28/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Reserves</td>
<td>20,550,452</td>
<td>24,412,721</td>
<td>27,044,237</td>
<td>28,177,804</td>
<td>27,925,887</td>
<td>29,052,652</td>
<td>28,901,877</td>
<td>25,770,921</td>
<td>26,973,412</td>
<td>26,284,948</td>
<td>24,375,247</td>
<td>22,922,244</td>
</tr>
</tbody>
</table>

Net cash equivalents, excluding 3rd Party Settlements

Days in Accounts Receivable

Days Outstanding in A/R

CAH West Average = 64.7 days (57 in 2011)
QHI Network Average = 54.48 days (2016)
### 2017 Board Budget to Actual

#### March preview

**Revenues**

- **$16,600,000 in HB charges**
  - Average: $541,000/day (HB only)
  - Budget: $560,500/day

- **$6,400,000 in HB cash collections**
  - Average: $207,000/day (HB only)
  - Goal: $255,000/day
Administrative Report

March 15, 2017
Jefferson Healthcare Strategic Plan Goals

**People:**

Recruit, Engage, and Retain a High Quality, Satisfied Workforce.

Ensure the Retention of a Strong Leadership Team.

---

Jefferson Healthcare Strategic Plan Goals

**Service:**

Ensure the Delivery of Patient and Family Centered Care.
Jefferson Healthcare Strategic Plan Goals

**Quality and Safety:**

Continue to Improve the Quality and Safety of Care Delivered at Jefferson Healthcare.

---

**Growth and Innovation:**

Collaborate with Other Agencies to Add and Improve the Services Needed to Improve the Health of the Community.
Jefferson Healthcare Strategic Plan Goals

**Sustainability:**

Maintain and Improve the Financial Stability to Ensure the Long-term Financial Sustainability of Jefferson Healthcare.

Patient Financial Experience Task Force

- Launch with board presentation on April 19.
- Composition of task force calls for 2 board representatives.
Advocacy Update

Federal:

Since the post election debate on repeal and replace of the Affordable Care Act, Jefferson Healthcare has been clear that our top priority is to preserve the coverage expansions for our community. Due to the reduction in coverage under the American Health Care Act (AHCA) as currently written, we do not support the bill.

We are working with the Washington State Hospital Association to communicate our concerns about the bill to our congressional delegation.

State:

We met with Representative Tharinger last Friday and spoke with Senator Van De Wege on Tuesday about increasing access to dental care on the peninsula. Both are very supportive.

We were pleased to learn our request to add dental care as a cost based reimbursed service to Rural Health Clinics is proceeding without objection and will likely be granted.

We have submitted a $1,000,000 grant application to fund the construction costs of 4-6 dental rooms.
Questions & Comments