Business Session Draft Agenda
Wednesday, February 15, 2017

Call to Order: 3:30
Approve Agenda: 3:35
Employee and Team of the Quarter: 3:40
Patient Story: Jackie Mossakowski 3:55

Minutes: Action Requested 4:00
- February 1 Regular Session (pg. 2-4)

Required Approvals: Action Requested 4:05
- Medical Staff Credentials/Appointments/Reappointments (pg. 5)
- January Warrants and Adjustments (pg. 6-10)
- Resolution 2017-06 Cancel Warrants (pg. 11)

Public Comment: 4:15
(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)

Patient Advocate Report: Jackie Levin 4:25

Resolution 2017-07: Affiliation: Action Requested 4:45
- Public Comment regarding Jefferson Healthcare & Discovery Behavioral Health Affiliation
- Resolution 2017-07: Affiliation

Resolution 2017-08: Purchase of Real Estate: Action Requested 5:00
- Public Comment regarding 1010 Sheridan, Watership Medical Building
- Resolution 2017-08: Purchase of Real Estate

- January

Administrator’s Report: Mike Glenn 5:30

Chief Medical Officer Report: Joe Mattern, MD 5:45

Board Report: 6:00
- Resolution 2017-05 Hazard Mitigation Plan

Conclude: 6:10
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, February 1, 2017
Victor J. Dirksen Conference Room

Call to Order:
The meeting was called to order at 3:29pm by Commissioner Buhler. Present were Commissioners Buhler, De Leo, Dressler, Kolff, and Ready. Also present were Mike Glenn, CEO, Lisa Holt, CAO, Jennifer Wharton, Executive Director of Medical Group, Steven Feland, CHRO, Kate Burke, Marketing and Foundation Director, Brandie Manuel, Director of Quality and Patient Safety, and Alyssa Rodrigues, Administrative Assistant. This meeting is being officially audio recorded by Jefferson Healthcare.

Approve Agenda:
Commissioner Dressler made a motion to approve the February 1 regular session agenda. Commissioner Kolff seconded the motion.

Commissioner De Leo suggested adding an item to the agenda to reaffirm Commissioners vote on Resolution 2017-05 on January 18, because even though Commissioners voted in favor it was not moved or seconded.

Action: Motion passed unanimously.

Patient Story:
Lisa Holt read aloud a letter regarding patient’s surgery visit and how pleased they were with the staff they encountered and care they received.

Minutes:
- January 18 Regular Session Minutes
Commissioner Dressler made a motion to approve the January 18 Regular Session minutes as presented. Commissioner De Leo seconded.
Action: Motion passed unanimously.

- January 24 Special Session Minutes
Commissioner Dressler made a motion to approve the January 18 Regular Session minutes with an addition. Commission De Leo seconded.

Commissioner Dressler’s made an amended motion to add that Commissioner Buhler called the meeting to order at 10:30am and Commissioners recessed at 11:30am to travel to meet with Senator Van De Wege and Representative Tharinger. Commissioner De Leo seconded the amended motion.
Action: Amended motion made by Commissioner Dressler passed unanimously.

Action: Main motion passed unanimously.
**Required Approvals:**
- Resolution 2017-04 Surplus Equipment
- Medical Staff credentials/appointments/ reappointments
Commission De Leo made a motion to approve the Resolution 2017-04 Surplus Equipment and Medical Staff credentials/appointments/ reappointments as presented. Commissioner Dressler seconded the motion.

**Action:** Motion passed unanimously.

**Educational Presentation:**
- Dunia Faulx, MPH gave a presentation on Hospital Healing the Community: Population Health Initiatives at Jefferson Healthcare.

Discussion ensued.

**Behavioral Health Partnering Opportunity:**
- Mike Glenn, CEO, Joe Mattern, CMO, and Sue Ehrlich, gave a presentation on Discovery Behavioral Health and Jefferson Healthcare Affiliation
- Joe Mattern, CMO and Dr. Sue Ehrlich gave a presentation on Jefferson Healthcare and Discovery Behavioral Health: Next Steps in Integrated Behavioral Health Care

Discussion ensued.

Commissioner Buhler announced a recess at 5:00pm
Commissioner Buhler reconvened the meeting at 5:10pm

**Real Estate Purchase Opportunity, 1010 Sheridan:**
- Mike Glenn, CEO and Hilary Whittington, CFO gave a presentation on Real Estate Purchase Opportunity, 1010 Sheridan

Discussion ensued.

**Business of the Board:**
- Review Board book
Commissioner De Leo passed out a proposed revision/ addition to the board book regarding Recognition of Service.

Commissioner De Leo made a motion to pass the proposed revision/ addition to the board book regarding Recognition of Service. Commissioner Kolff seconded the motion.

Discussion ensued.

Commissioner Dressler made an amendment to the motion to not act on revision/addition until we have legal counsel clear its intent.
Commissioner De Leo seconded the amendment.

Discussion ensued.  
**Action:** Amended motion made by Commissioner Dressler passed unanimously.

Discussion ensued.  
**Action:** Original motion made by Commissioner De Leo failed. Commissioners Dressler, Kolff, and Buhler opposed, Commissioner De Leo in favor, Commissioner Ready abstained.

Commissioner Kolff made a motion that the mission and vision statements continue to be reviewed every six years and the date of original adoption be documented in board book.  
Commissioner Ready seconded the motion.

Discussion ensued.  
**Action:** Motion passed unanimously

Commissioner Dressler made a motion to approve the board book with revisions from Commissioner Kolff. Commissioner Kolff seconded.  
**Action:** Motion passed with Commissioners Dressler, De Leo, Kolff and Buhler in favor.  
Commissioner Ready abstained.

- Evaluate Board Compliance
- Committee Assignments

Commissioner Buhler read out loud the suggestions from Commissioner regarding board compliance.

Discussion ensued

Commissioner Kolff made a motion to move Evaluate Board Compliance and Committee Assignments to next meeting due to long agenda. Commissioner Dressler seconded.

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

Meeting concluded at 6:00pm.

Approved by the Commission:

President of Commission: Jill Buhler _______________________________

Secretary of Commission: Marie Dressler ____________________________
FROM: Barbara York – Medical Staff Services  
RE: December 2016/ January 2017 Medical Executive Committee  
appointments/reappointments and annual policy review recommendations for  
Board approval 2-15-2017  

C-0241  
§485.627(a) Standard: Governing Body or Responsible Individual  
The CAH has a governing body or an individual that assumes full legal responsibility for determining,  
implementing and monitoring policies governing the CAH’S total operation and for ensuring that those  
policies are administered so as to provide quality health care in a safe environment.  

Interpretive Guidelines §485.627(a)  
It is the responsibility of the governing body (or responsible individual) to appoint, with the advice of the  
medical staff, the individual practitioners to the medical staff. After considering medical staff  
recommendations, and in accordance with established CAH medical staff criteria and State and Federal  
laws and regulations, the governing body (or responsible individual) decides whether or not to appoint  
new medical staff members or to continue current members of the medical staff.  

Recommended appointment to the Locum Tenens health staff:  
  1. Sciarrone, Daria MD – Family Medicine (through Locums Company)  

Recommended re-appointment to the active medical staff:  
  1. Robinson, Gene, MD – General Surgery  

Recommended re-appointment to the courtesy medical staff:  
  1. Chong, Maria, MD – Tele-Radiology  
  2. Levine, Andrew, MD – Tele-Radiology  
  3. McCulloch, Madison, MD – Tele-Radiology  
  4. Myers, Kirk, DO – Tele-Radiology  
  5. Sherman, Lawrence, MD – Emergency Medicine  

No policies currently for annual review.
TO: BOARD OF COMMISSIONERS  
FROM: HILARY WHITTINGTON, CFO  
RE: JANUARY 2017 WARRANT SUMMARY

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

- **General Fund Warrants & ACH Transfers**: $8,576,064.22 (Provided under separate cover)
- **Bad Debt / Charity**: $355,639.98 (Attached)
- **Canceled Warrants**: $220.23 (Attached)
TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: JANUARY 2017 GENERAL FUND WARRANTS & ACH FUND TRANSFERS

Submitted for your approval are the following warrants:

GENERAL FUND:

233234 - 233942 $4,631,188.10

ACH TRANSFERS $3,944,876.12

YEAR-TO-DATE: $8,576,064.22

Warrants are available for review if requested.
TO: BOARD OF COMMISSIONERS  
FROM: HILARY WHITTINGTON, CFO  
RE: JANUARY 2017 BAD DEBT, ADMINISTRATIVE, AND CHARITY CARE WRITE OFFS

Submitted for your approval are the following:

<table>
<thead>
<tr>
<th></th>
<th>JANUARY</th>
<th>JANUARY YTD</th>
<th>JANUARY YTD BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bad Debts:</td>
<td>$266,578.92</td>
<td>$266,578.92</td>
<td>$264,920.11</td>
</tr>
<tr>
<td>Charity Care:</td>
<td>$60,674.86</td>
<td>$60,674.86</td>
<td>$111,703.56</td>
</tr>
<tr>
<td>Other Administrative Adjustments:</td>
<td>$28,386.20</td>
<td>$28,386.20</td>
<td>$20,120.82</td>
</tr>
<tr>
<td><strong>TOTAL FOR MONTH:</strong></td>
<td><strong>$355,639.98</strong></td>
<td><strong>$355,639.98</strong></td>
<td><strong>$396,744.49</strong></td>
</tr>
</tbody>
</table>
TO: BOARD OF COMMISSIONERS
FROM: HILARY WHITTINGTON, CFO
RE: JANUARY 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.

<table>
<thead>
<tr>
<th>DATE</th>
<th>WARRANT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/4/2016</td>
<td>222044</td>
<td>$16.10</td>
</tr>
<tr>
<td>1/7/2016</td>
<td>222136</td>
<td>$204.13</td>
</tr>
</tbody>
</table>

TOTAL: $220.23
### Gross Revenue

<table>
<thead>
<tr>
<th></th>
<th>January 2017</th>
<th>January 2016</th>
<th>Variance Favorable/ (Unfavorable)</th>
<th>%</th>
<th>January 2017</th>
<th>January 2016</th>
<th>Variance Favorable/ (Unfavorable)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient Revenue</strong></td>
<td>5,339,783</td>
<td>3,440,801</td>
<td>1,898,982 55%</td>
<td></td>
<td>5,339,783</td>
<td>3,440,801</td>
<td>1,898,982 55%</td>
<td></td>
</tr>
<tr>
<td><strong>Outpatient Revenue</strong></td>
<td>12,820,653</td>
<td>14,416,995</td>
<td>(1,596,343) -11%</td>
<td></td>
<td>12,820,653</td>
<td>14,416,995</td>
<td>(1,596,343) -11%</td>
<td></td>
</tr>
<tr>
<td><strong>Total Gross Revenue</strong></td>
<td>18,160,435</td>
<td>17,857,796</td>
<td>302,639 2%</td>
<td></td>
<td>18,160,435</td>
<td>17,857,796</td>
<td>302,639 2%</td>
<td></td>
</tr>
</tbody>
</table>

### Revenue Adjustments

| **Cost Adjustment Medicaid** | 1,773,354 | 2,191,686 | 418,332 -19%                      |       | 1,773,354 | 2,191,686 | 418,332 -19%                      |       |
| **Cost Adjustment Medicare** | 6,696,795  | 5,885,349  | (811,446) -14%                    |       | 6,696,795  | 5,885,349  | (811,446) -14%                    |       |
| **Charity Care** | 60,675 | 111,704 | 51,029 46% |       | 60,675 | 111,704 | 51,029 46% |       |
| **Administrative Adjustments** | 28,386 | 20,121 | (8,265) -41%                      |       | 28,386 | 20,121 | (8,265) -41%                      |       |
| **Adjust Bad Debt** | 266,579 | 264,920 | (1,659) -1%                       |       | 266,579 | 264,920 | (1,659) -1%                       |       |

### Total Revenue Adjustments

| 9,997,976 | 9,725,020 | (272,956) -3% |       | 9,997,976 | 9,725,020 | (272,956) -3% |       |

### Net Patient Service Revenue

| 8,162,459 | 8,132,776 | 29,683 0% |       | 8,162,459 | 8,132,776 | 29,683 0% |       |

### Other Revenue

| 340B Revenue | 304,069 | 260,239 | 43,830 17% |       | 304,069 | 260,239 | 43,830 17% |       |
| Meanings Use Ehr Incentive | - | 3,397 | (3,397) -100% |       | - | 3,397 | (3,397) -100% |       |
| Other Revenue | 148,309 | 112,961 | 35,348 31% |       | 148,309 | 112,961 | 35,348 31% |       |

### Total Operating Revenues

| 8,614,837 | 8,509,373 | 105,463 1% |       | 8,614,837 | 8,509,373 | 105,463 1% |       |

### Operating Expenses

| Salaries And Wages | 3,715,683 | 4,211,112 | 495,429 12% |       | 3,715,683 | 4,211,112 | 495,429 12% |       |
| Professional Fees | 980,571 | 1,040,237 | 59,666 6% |       | 980,571 | 1,040,237 | 59,666 6% |       |
| Purchased Services | 445,338 | 539,994 | 94,656 18% |       | 445,338 | 539,994 | 94,656 18% |       |
| Supplies | 1,284,563 | 1,212,418 | 72,145 6% |       | 1,284,563 | 1,212,418 | 72,145 6% |       |
| Insurance | 47,615 | 57,753 | 10,138 18% |       | 47,615 | 57,753 | 10,138 18% |       |
| Leases And Rentals | 127,651 | 147,734 | 20,084 14% |       | 127,651 | 147,734 | 20,084 14% |       |
| Depreciation And Amortization | 348,994 | 312,906 | 36,088 11% |       | 348,994 | 312,906 | 36,088 11% |       |
| Repairs And Maintenance | 40,388 | 77,228 | 36,840 48% |       | 40,388 | 77,228 | 36,840 48% |       |
| Utilities | 82,254 | 76,128 | (6,126) -8% |       | 82,254 | 76,128 | (6,126) -8% |       |
| Licenses And Taxes | 104,108 | 147,130 | 43,022 28% |       | 104,108 | 147,130 | 43,022 28% |       |
| Other | 147,130 | 174,830 | 27,701 16% |       | 147,130 | 174,830 | 27,701 16% |       |

### Total Operating Expenses

| 7,643,138 | 8,189,379 | 546,240 7% |       | 7,643,138 | 8,189,379 | 546,240 7% |       |

### Non Operating Revenues (Expenses)

| Taxation For Maint Operations | 20,924 | 17,156 | 3,768 22% |       | 20,924 | 17,156 | 3,768 22% |       |
| Taxation For Debt Service | 24,997 | 19,003 | 5,993 32% |       | 24,997 | 19,003 | 5,993 32% |       |
| Investment Income | 11,629 | 6,582 | 5,047 77% |       | 11,629 | 6,582 | 5,047 77% |       |
| Interest Expense | (25,418) | (85,615) | 60,198 70% |       | (25,418) | (85,615) | 60,198 70% |       |
| Bond Issuance Costs | - | (12,740) | 12,740 0% |       | - | (12,740) | 12,740 0% |       |
| Gain or (Loss) on Disposed Asset | 5,500 | 5,500 | 0% |       | 5,500 | 5,500 | 0% |       |
| Contributions | 5,526 | 11,890 | (6,364) -54% |       | 5,526 | 11,890 | (6,364) -54% |       |

### Total Non Operating Revenues (Expenses)

| 43,158 | 43,723 | 5,575 19% |       | 43,158 | 43,723 | 5,575 19% |       |

### Change in Net Position (Loss)

| 1,014,857 | 276,272 | 738,585 267% |       | 1,014,857 | 276,272 | 738,585 267% |       |
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 $220.23 be canceled.

<table>
<thead>
<tr>
<th>Date of Issue</th>
<th>Warrant #</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/04/2016</td>
<td>222044</td>
<td>16.10</td>
</tr>
<tr>
<td>01/07/2016</td>
<td>222136</td>
<td>204.13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>220.23</strong></td>
</tr>
</tbody>
</table>

APPROVED THIS 15th day of February, 2017.

JEFFERSON COUNTY PUBLIC HOSPITAL DISTRICT NO. 2

APPROVED BY THE COMMISSION:

Commission Chair – Jill Buhler: ___________________________________________

Commission Secretary – Marie Dressler: ______________________________________

Attest:

Commissioner – Anthony De Leo: ____________________________________________

Commissioner – Kees Kolff: ________________________________________________

Commissioner – Matt Ready: ________________________________________________