

Jefferson County Public Hospital District No.2
Board of Commissioners, Special Session Minutes
Wednesday, November 7, 2018
Victor J. Dirksen Conference Room

Call to Order:

The meeting was called to order at 2:30 pm by Board Chair Buhler Rienstra. Also present were Commissioners Dressler, McComas, Ready, and Kolff, Mike Glenn, CEO, Hilary Whittington, Chief Administrative Officer/ Chief Financial Officer, Brandie Manuel, Chief Patient Care officer, Jon French, Chief Legal Officer, Jenn Wharton, Chief Ambulatory and Medical Group Officer, Tina Toner, Chief Nursing Officer and Alyssa Rodrigues, Administrative Assistant were also in attendance. This meeting was officially audio recorded by Jefferson Healthcare.

Work Session:

The purpose of this special session is to have the Jefferson County Public Hospital District No. 2 Commissioners attend the Finance Committee Meeting to review and discuss the 2019 Budget. No action will be taken.

Mike Glenn introduced Hilary Whittington, CFO/CAO

Hilary Whittington, CFO/CAO presented the 2019 budget which included the budget process timeline, operating budget, overview of 2019, disclaimers, pricing, property tax assessment, regional perspective on property tax assessment, inpatient and nursing services, outpatient- imaging and radiology, laboratory services, respiratory therapy, rehab services, emergency services, sleep medicine, clinics- primary care clinics, specialty clinics, outpatient surgical services,

Commissioners recessed for break at 4:00pm

Commissioners reconvened after the break at 4:07pm

Hilary Whittington, CFO/CAO continued with Home Health and Hospice, Hospice Foundation, Home Health, Support Services- Accounting, Board of Commissioners, Legal/Compliance and Risk Management, Dietary, Environmental Services and Laundry, Facilities, Human Resources, Informatics Technology and Clinical Informatics, Marketing/ Public Relations, Materials Management, medical staff, Revenue Cycle Operations, Quality, Helping our Community Live Well- Jefferson Healthcare Foundation, Population Health, Care Transformation, Wellness, Exercise for Health, Community health Improvement Plan, Sexual Assault Nurse Examiners Program, Reproductive Services. Hilary Whittington CFO/CAO explained the draft income statement, key operating ratios, Staffing by department, volumes by department.

Hilary Whittington, CFO/CAO also explained the Capital Budget which included the capital budget process, and items, contingent purchases, planning 2020-2024.

Discussion ensued.

Public comment was made.

Conclude:

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

Action: Motion passed unanimously.

Meeting concluded at 5:16pm.

Approved by the Commission:

Chair of Commission: Jill Buhler Rienstra _____

Secretary of Commission: Marie Dressler _____

2019 BUDGET

Operating and Capital Budget (p)Review



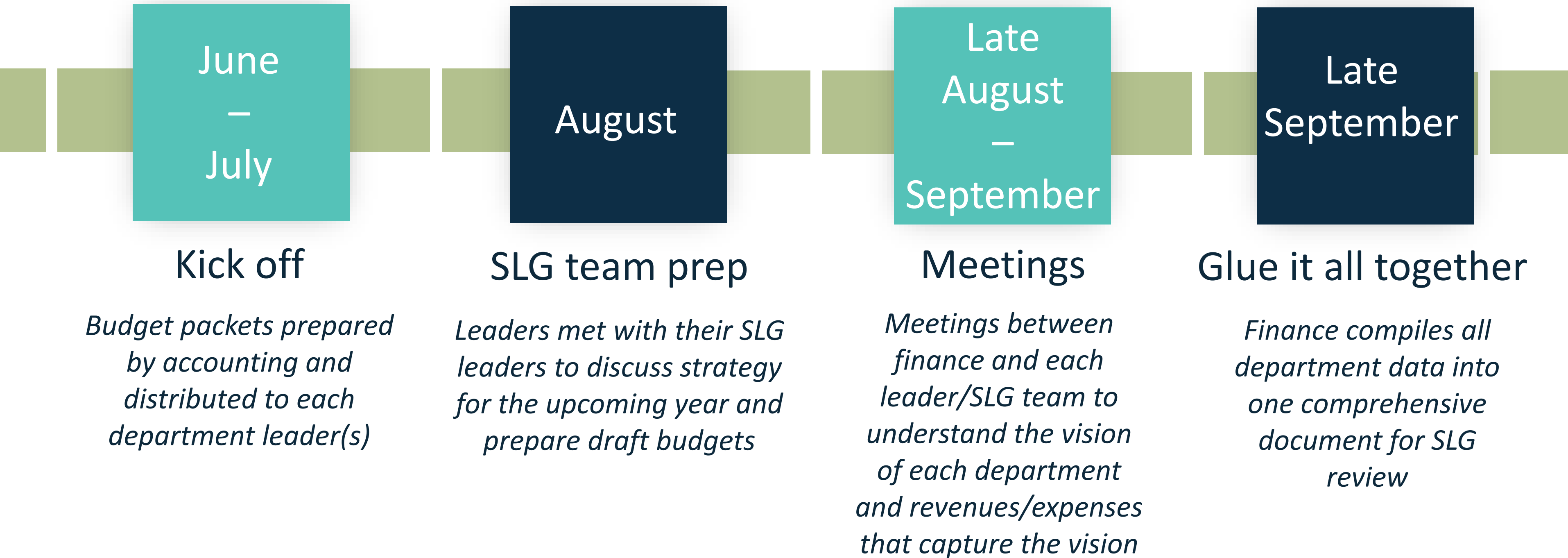


An exercise of creating a shared mental model.

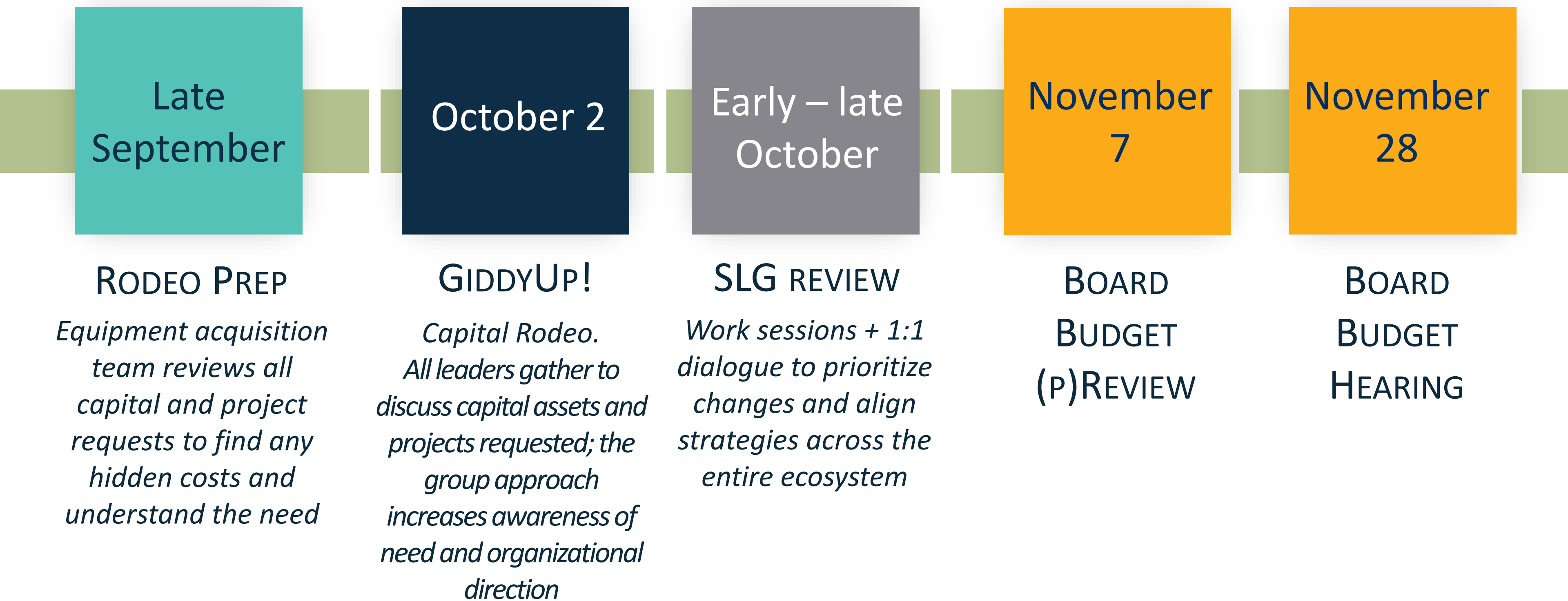
Every leader at Jefferson Healthcare made a plan, shared the plan, and put numbers to it.

There is the “task” part of the budget, and the “writing the story” part of the budget – the latter component is much more important when it comes to impact on our sustainability.

The budget process



The budget process (cont'd)



2019 BUDGET

Operating Budget (p)Review



Setting the landscape

2019 will be a year of stabilization, growth, and focus on setting a path forward.

2019

Overview of 2019

Inpatient & nursing services

- Focus on operational excellence
- Growth of 3% budgeted in ACU, ICU and swing (consistent FBC volumes)

Outpatient

- Continue to streamline patient flow between departments
- Modest growth of 3-5% budgeted in most departments

Clinics

- Operational rigor
- Growth related to providers already added

Home Health & Hospice

- Epic!

Support Services

Helping our Community Live Well

Disclaimers

What may change between now and November 27

- **PRICING** – we have built in expected pricing changes, but it may toggle slightly after completing the full line-by-line review
- **WAGES** – this is a big one. We are in the middle of union negotiations and things could shift, but we have budgeted based on the most likely scenario
- **DEPRECIATION** – reviewing useful lives (that determine expense) and impact of 2019 additions
- **CONTRACTUAL ADJUSTMENTS** – will review after all expenses and pricing are updated
- **FINAL EXPENSE REVIEW** – if additional material expenses are identified, others will be affected to ensure budgeted net income stays similar to this draft





Pricing

Our pricing philosophy

There are very few things that affect our entire budget as much as our pricing.

Through a complete pricing review, our budget has been adjusted to meet the following criteria:

- *Reflective of our organization's cost structure*
- *Line by line review for consistency across service lines (clinics) and modalities*
- *Intent to be competitive for every line item of the chargemaster*
- *Lower of:*
 - *Median of Harrison, Seattle and Tacoma market average*
 - *Lowest price in our market + 75%*
- *If no market data, no change*

Hospitals selected for benchmark:

- *Seattle area: Harborview, Overlake, Providence Everett, Swedish First Hill, UW, Virginia Mason*
- *Tacoma: Tacoma General, St. Joseph*
- *Harrison Medical Center*
- *Olympic Medical Center*

PROPERTY TAX ASSESSMENT

	0%	1%
Tax increase	\$0	\$4,625
Total taxes	\$473,000	\$476,000
Our total operating expenses budget	\$121,000,000	\$121,000,000
% of budget	.391%	.393%

*Currently, using the 1% option is budgeted in the template but can be adjusted.

A regional perspective on property tax assessment

PUBLIC HOSPITAL DISTRICT TAX SUPPORT

<u>Hospital</u>	<u>2017 Total Operating Revenue</u>	<u>2017 Tax Revenue</u>	<u>% Total Operating Rev.</u>
Whidbey General, Coupeville	108,010,213	4,685,340	4%
Olympic Medical Center, Port Angeles	180,449,852	4,570,450	3%
Island Hospital, Anacortes	98,163,346	3,450,270	4%
Mason General Hospital, Shelton	101,026,852	2,136,980	2%
Forks General Hospital, Forks	29,098,012	762,139	3%
Jefferson Healthcare, Port Townsend	101,427,714	455,211	0.4%

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INPATIENT CARE

ACU, Swing and ICU - Primary objectives:

Our plan for next year is to

- Focus on improving our budget alignment
- Implement a defined education process
- Create a workflow processes to become more efficient and adapt to volume fluctuations
- Stabilize with new leadership (supervisor and director)
- Update the space to feel fresh & inviting
- Identify opportunities to increase swing bed volumes

* We are doing a detail study of ACU, ICU, Swing and FBC staffing; FTEs may shift between now and the budget hearing

Volumes	3% increase
Pricing change	5.3% increase, ACU & Swing 8% decrease, ICU
Expenses	15% decrease
FTE change	-4.7



They may forget your name, but they will never forget how you made them feel.
Maya Angelou



FAMILY BIRTH & NURSERY

FBC - Primary objectives:

Our plan for next year is to

- Welcome a new supervisor of FBC/ACU
- Integrate FBC nurses into other departments during slower periods
- Streamline workflows
- Implement enhanced safety and security measures

	2017 actual	2018 projected	2019 draft budget
Volumes (births)	116	120	125 4% growth
Pricing change			12% decrease, L&D 5.3% increase, nursery
Revenues	1,309,665	1,437,148	1,312,048
Expenses	1,210,249	1,362,739	1,171,876
FTE	11.1	11.3	9.8

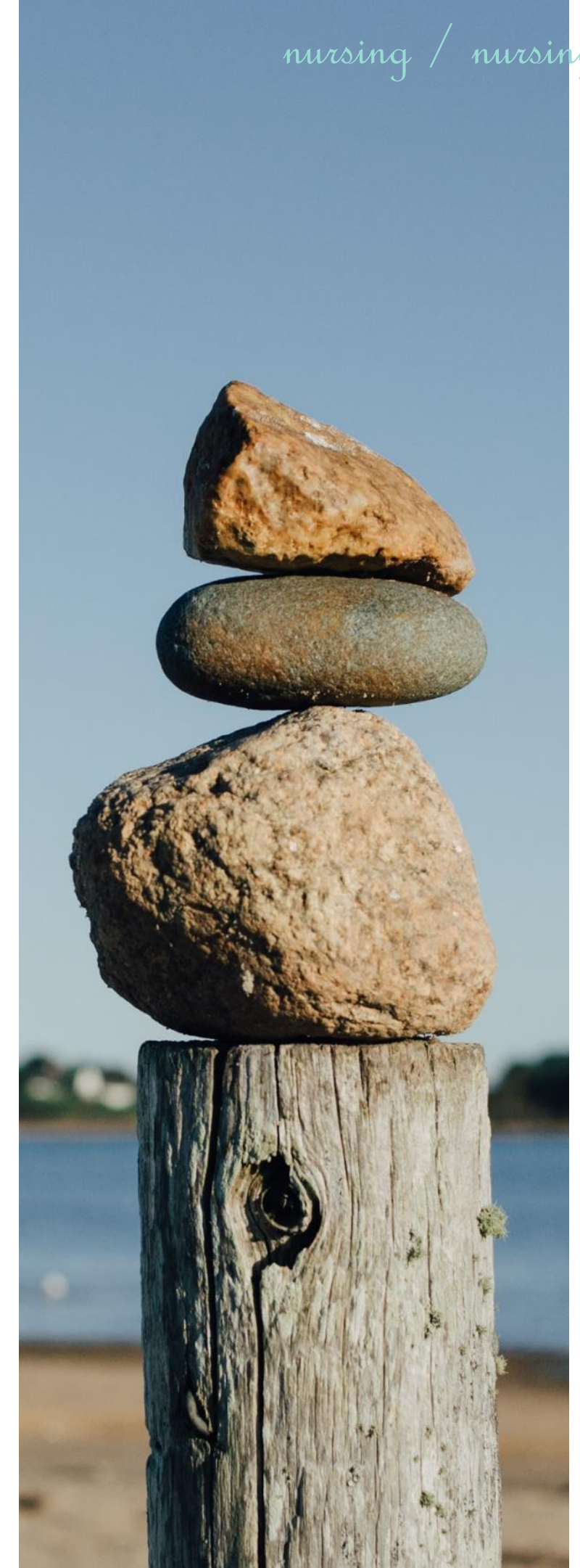
NURSING ADMINISTRATION

Nursing Administration

- Separation of patient advocates and nursing administration budgets
- Focus on staffing hospital-wide as a way to increase efficiency
- Participate in the development, implementation & management of a surge plan for staffing and bed placement
- Become more nimble & flexible assessing staffing needs to decrease overtime
- FTEs:
 - 5.2 FTE, House Sups
 - 2.0 FTE, CNO + admin support
 - 1.2 FTE, add, scheduler

Patient Advocates Office

- Continue to support important dialogues with patients when we have an opportunity to improve their experience
- Explore ways to incorporate mindfulness and other wellness programs
- FTEs:
 - 1.3 FTE, patient advocates





GENERAL SURGICAL SERVICES

General surgery, special procedures, pre/post op, and anesthesiology

Our plan for next year is to

- Add 2 surgeons – 1 in January, 1 in March
- Streamline the 4 General Surgeons + 1 Physician Assistant model
- Review block schedule to ensure high utilization

Note:

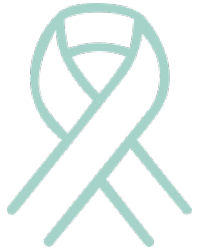
- Volumes include only surgery and special procedures
- Revenues, expenses, and FTE include surgery, special procedures, pre/post op, anesthesiology and central supply



	2017 actual	2018 projected	2019 budget	change
Volumes (surgery + special procedures)	1859	2016	2194	8.83% increase
Pricing change				12% increase
Expenses (all surgery related)	5,292,874	5,630,492	6,495,415	15.36%
Revenues	26,467,078	31,328,389	37,717,279	20.39%
FTEs	16.5	17.0	22.5	5.5

THE PENTHOUSE

**formally known as medical short stay*



Oncology

Our plan for next year is to:

- Add .5 physician + .6 ARNP
- Add 2.809 FTE
- Increase volumes 48.6% (4,036 2018 projected to 6,000 2019 visits)
- Enhance financial counseling support and prior authorization efforts
- Reduce prices 15% by standardizing professional fees across specialties

Infusion services

Our plan for next year is to:

- Increase volumes 15% (6,696 2018 projected to 7,700 2019 visits)
- Add 2.825 FTE to support growth
- Reduce prices 10%
- Review staffing and workflows to ensure streamlined patient flow



Wound Care

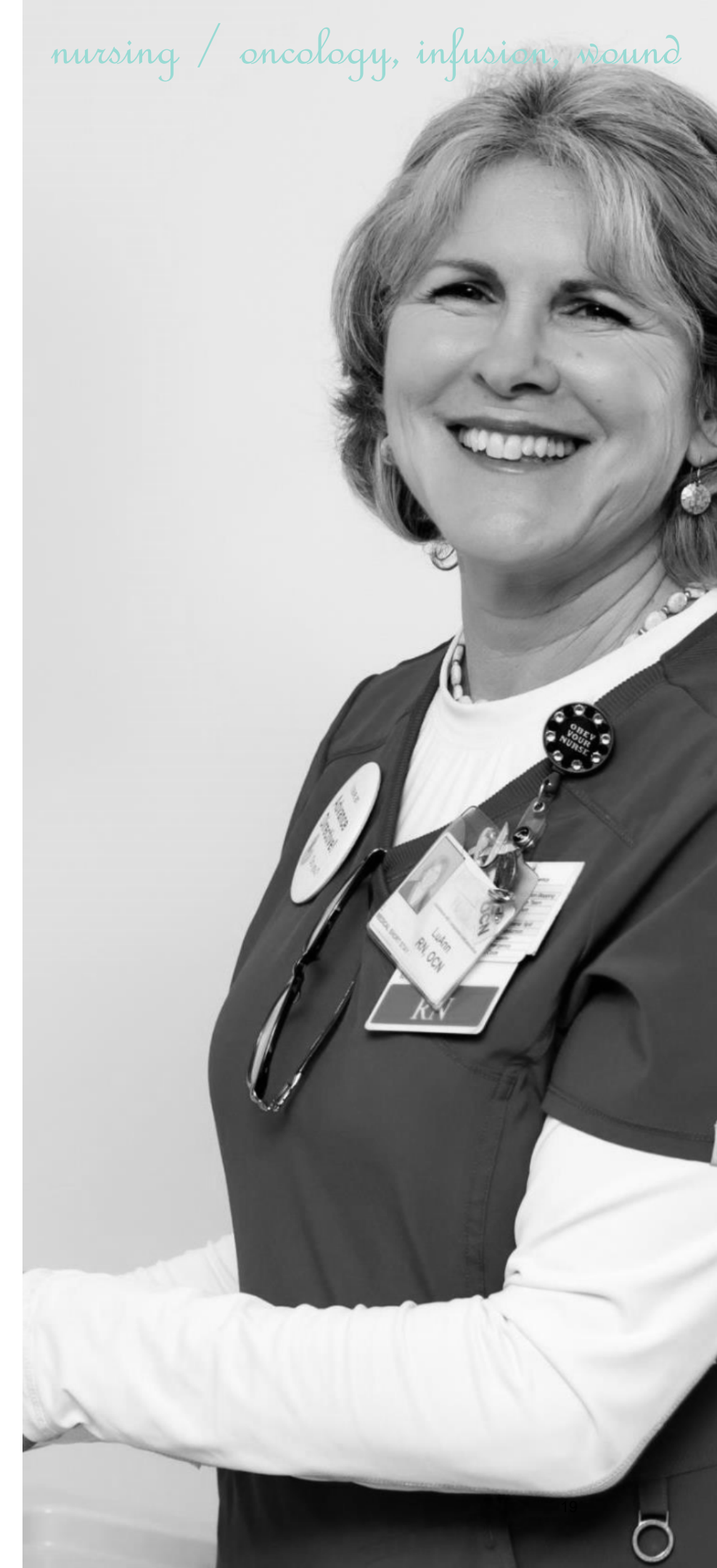
Our plan for next year is to:

- Maintain stable volumes
- Recruiting efforts to replace retiring providers
- Average 20% increase in prices related to standardizing prices across specialties

Our key objectives will be to maximize efficiencies and advance processes to ensure our staffing, scheduling and physical layout best accommodate our patients.

Our Oncology, Infusion and Wound departments continue to score high marks in patient satisfaction and quality. We look forward to continuing to serve our patients with excellent care and an experience that is unmatched.

nursing / oncology, infusion, wound



PHARMACY: a 3-tiered approach

PHARMACY

Continue to provide pharmaceuticals for our inpatients and ancillary services, with increased volumes for an additional medical oncologist

7.6% growth

SPECIALTY PHARMACY

Expanding our delivery into the specialty space for specialty services (primarily dermatology and oncology) and Hospice

RETAIL PHARMACY

Open a physical space in Port Ludlow to meet the pharmaceutical needs of the Port Ludlow community.

*\$1.0M budgeted direct expense
(excludes overhead allocation)
\$1.5M budgeted revenue*

340b is an anchor of this programming.
2019 net income from 340b program: \$1.3M

This includes 5% growth for expansion of existing pharmacy volumes and addition of JH retail pharmacy activity

340b revenue helps subsidize many margin-negative services that are important to our community

PHARMACY: the economics

	Pharmacy (hospital)	Port Ludlow Retail Pharmacy (specialty & retail, includes 340B eligible)	340b program (4 retail pharmacies, excludes JH PL Retail Pharmacy)
Revenue	31,430,111	1,991,700	3,838,000
Direct expenses	10,657,467	1,496,943	2,484,000
FTE	8.6	2.7	-

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Support Services

Helping our Community Live Well



IMAGING & RADIOLOGY

Our plan for next year is to:

- Maximize use of resources by expanding coverage using our existing staff
 - right person - right role - right location
- Reassess and modify our current staffing model to allow for more efficiency
- Continue to maintain the highest quality and patient focused care throughout this time of change
- Expand existing modalities where possible to capture a larger market share and serve our community where they live
- Continue to be the sole community provider of 24/7 emergency diagnostic imaging services

Our plan includes significant adjustments to pricing to be more competitive in today’s transparent market:

MRI	Decrease prices 19.19%	Ultrasound	Decrease prices 21.34%
CT	Decrease prices 11.96%	Mammography	Increase prices 8.31%
Radiology	Decrease prices 10.84%	Nuc Med	Increase prices 17.62%
Echo	Increase prices 0.39%		



IMAGING & RADIOLOGY

outpatient / imaging

MRI

Volumes: 5% increase
.5 increase in FTE*

CT

Volumes: 3% increase
1.45 increase in FTE*

Radiology

Volumes: 5% increase
2.66 decrease in FTE*

Echo

Volumes: 25% increase
Stabilize with adding
2nd Echo tech

Ultrasound

Volumes: 5% increase
Stable staffing*

Mammography

Volumes: 5% increase
.4 increase in FTE*

Nuclear Medicine

Volumes: 30% increase
1.0 increase in FTE

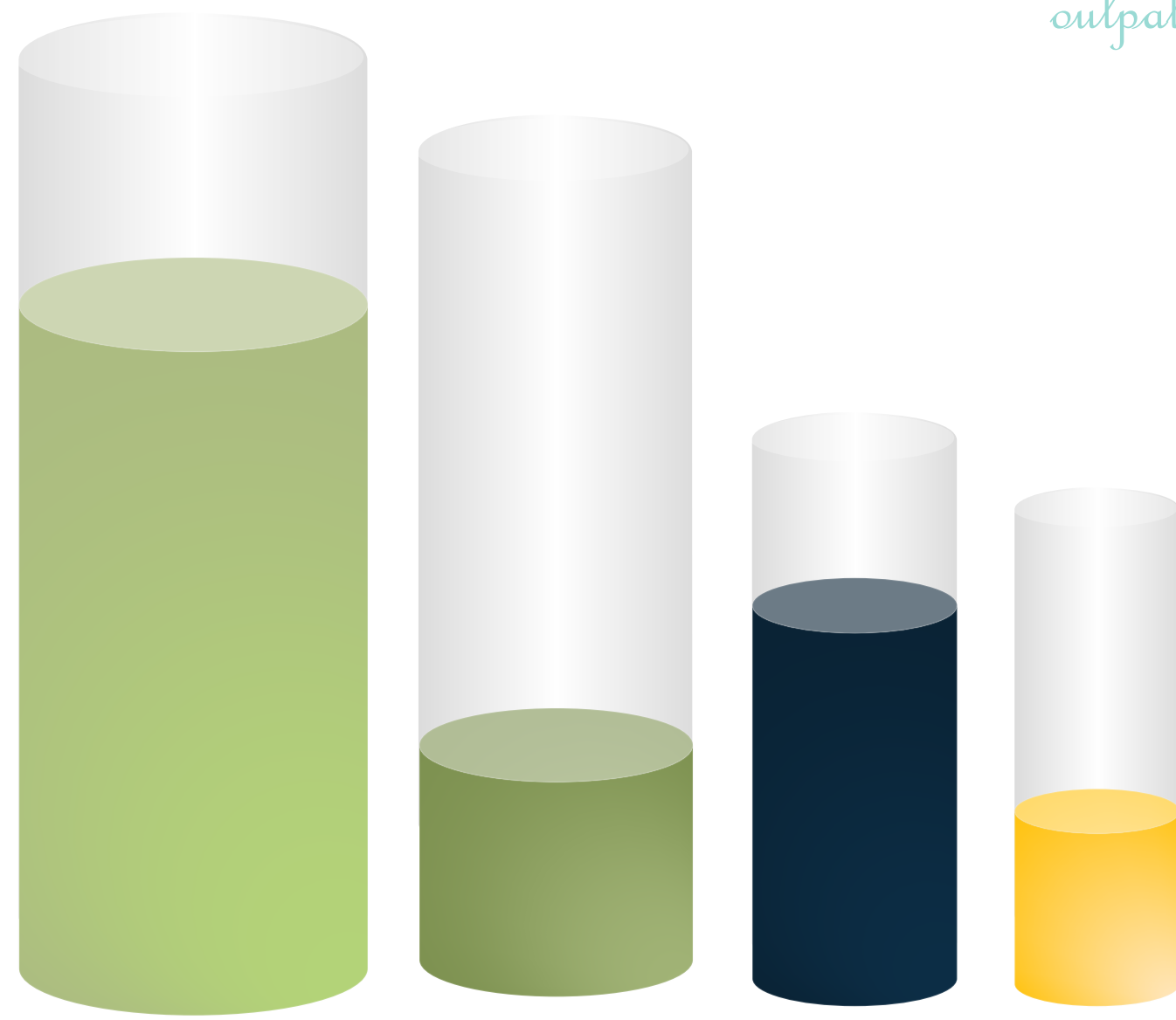


* These changes are across departments for existing employees and a result of a change in allocation, not employees.

LABORATORY SERVICES

Lab and Blood bank - Primary objectives:

- Our priorities for next year are to:
- Decrease TAT (Turn Around Time) for STAT & OP (OutPatient) test orders
 - Implement new assays per ordering provider requests to improve quality & patient satisfaction.
 - Implement interfaces to increase efficiencies possible with Epic



Volumes	3% increase (lab) 1% increase (blood bank)
Pricing change	Average 24% drops in pricing
Expenses	1% increase
FTE change	3.217 increase in Lab FTE Combination of staff already hired, filling vacant roles currently filled by travelers, and adding 1.0 FTE to help streamline competency monitoring

RESPIRATORY THERAPY

	2017 actual	2018 projected	2019 draft budget
Volumes (procedures)	35,352	39,248	40,818, 4% growth
Pricing change			12% decrease
Revenues	4,647,922	5,031,702	4,608,614
Expenses	960,516	872,636	933,060
FTE	8.5	6.7	8.2



Primary objectives:

- Continue to work to keep our COPD (Chronic obstructive pulmonary disease) patients healthy by:
 - Outreach educational opportunities for the local long term care facilities
 - Start inpatient teaching curriculum for our readmitted COPD patients
- Create pathways for both pulmonology and tele-pulmonology services to keep our patients local
- Add a new testing procedure in our pulmonary function lab to rule out asthma



REHABILITATION SERVICES

outpatient / rehab



Physical Therapy

Volumes: 8% increase
Pricing: 1% decrease
FTE: add 5.3 FTE



Occupational Therapy

Volumes: 3% increase
Pricing: 1% decrease



Speech Therapy

Volumes: 3% increase
Pricing: 10% increase

Our priorities for next year:

- Develop and implement a chronic pain program to facilitate addressing the opioid crisis
- Continue to strengthen our liaison with oncology by increasing cancer patient referrals to all three rehab disciplines, particularly head and neck cancer patients
- Replace current travelers with permanent clinical staff

EMERGENCY SERVICES



Emergency Department



Express Clinic

Volumes

3% growth

2018 projected – 12,454

2019 budget – 12,828

35.8% growth

2018 projected – 5,818

2019 budget – 7,900

Pricing change

20% net increase

Recalibration of levels to match market trends

Matches other rural health clinics previously some exceptions

Expenses

8.1% decrease

19.5% decrease

Non-recurrence of start-up costs and stabilization of provider team

FTE change

0.15 Increase

*reviewing FTE for ED to ensure adequate hours for staffing and training

0.2 reduction

Staff flex between ED and Express clinic based on volumes

Key areas of focus

- Make a successful transition to new leadership in the department
- Decrease patient throughput times
- Increase patient satisfaction scores
- Continue to educate patients on the right care option to select



SLEEP MEDICINE

Sleep clinic & Sleep Center - Primary objectives:

Our plan for next year is to

- Submit application for accreditation in 2020
- Hire a scoring Technician to work during the day
- Expand patient services through education
- Maintain and increase clinic visits through billable services implemented in 2018 (mask adjustments, PAPNAPs)

Volumes	4% increase
Pricing change	10% increase in sleep study prices 20% decrease in clinic visit prices to more closely align with primary care rates
Expenses	5.8% increase
FTE change	Add 0.5 FTE (.6 tech)

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Home Health & Hospice

- Epic!

Support Services

Helping our Community Live Well

PRIMARY CARE CLINICS



Jefferson Healthcare Port Ludlow Clinic

2018 visits: 6,668
2019 visits: 8,500

Model: 2 FTE physicians, 1.5 FTE APPs
3 visiting specialists

- Continue to market to increase our market share in this zip code and build our specialty presence



Jefferson Healthcare Primary Care

2018 visits: 32,150
2019 visits: 33,100

Model: 8 FTE physicians, 6.25 FTE APPs

- Add a medical director in 2019
- Rebrand to “Jefferson Healthcare Sheridan Clinic”



Jefferson Healthcare Family Medicine

2018 visits: 12,518
2019 visits: 13,000

Model: 2.63 FTE physicians, 1.8 FTE APPs

- Rebrand as “Jefferson Healthcare Watership Clinic”
- Add one physician in 2019

Our key objectives for next year across Primary Care are:

- Improve efficiency and reduce waste in our workflows
- Streamline/standardize job duties across all primary care clinics
- Increase patient awareness of access and services we provide
- Embed quality goals into daily operations

PRIMARY CARE CLINICS



**Jefferson Healthcare
South County Clinic**

2018 visits: 1,906
2019 visits: 2,300

Model: 1 FTE APPs

- Build a practice around our new APP
- Start the state Vaccines for Children program



**Jefferson Healthcare
Townsend Clinic**

2018 visits: 7,894
2019 visits: 7,420

Model: 1 FTE physician, 1.5 FTE APPs

Infrastructure change: shift toward centralized services

Our key objectives for next year are:

- Create a centralized team that supports all clinics
- Includes: referral coordination, phone answering, and scheduling
- Improve efficiencies by better utilization of resources and creating clear work and information flows
- Standardize the initial touch of our patients to ensure an inviting and welcoming interaction

PRIMARY CARE CLINICS

clinics / primary care

Jefferson Healthcare Primary Care – Dental Services

Visits	2500
Model	1 full time dentists 3 per diem dentists 3 hygienists
Revenue	\$587,500 patient revenue <u>\$1,156,525</u> grant income \$1,744,025 total revenue
Direct Expenses	\$1,089,472
FTE	8.05

Our plan for 2019:

Successfully open a dental clinic to serve our underserved community

Our key objectives for next year are:

- Complete construction and installation of equipment
- Hire dentists, hygienists, and assistants to staff the clinic
- Build key relationships with community dentists for referrals
- Market our services to the community
- Create a “How to open a RHC Dental Clinic” program for other rural hospitals

SPECIALTY CLINICS



Orthopedics

Our plan for next year is to

- Increase volumes 12%
 - 2018 projected - 6,714 visits
 - 2019 budgeted - 7,520 visits
- Improve our patient and provider satisfaction scores (NRC Picker) by streamlining our patient intake and discharge process
- Welcome our new Ortho PA to improve clinic visit access and expedite surgeries
- 5% increase in prices to streamline prices across specialties



Women's Clinic

Our plan for next year is to

- Increase volumes 3%
 - 2018 projected – 2,664 visits
 - 2019 budgeted – 2,744 visits
- Align our OB services across Primary Care, Women's Health and FBC
- Increase surgery volumes
- 10% increase in prices to streamline prices across specialties



Dermatology

Our plan for next year is to

- Increase volumes 64% with addition of ARNP and full year of services
 - 2018 projected – 4,020 visits
 - 2019 budgeted – 6,599 visits
- Get settled in our new clinic space
- Add light therapy
- 20% increase in prices to streamline prices across specialties

SPECIALTY CLINICS



Urology

- Stable provider and team
- Increase volumes 3% (2018 projected - 2,710 visits; 2019 budget - 2,791 visits)
- 20% increase in prices to streamline prices across specialties

Cardiology

- Add 1.0 ARNP
- Increase volumes 14% (2018 projected - 2,918; 2019 budget - 3,350 visits)
- Improve access to our patients
- Successfully open our new suite, aligning with CV Lab for a standard, streamline process for our patients
- Increase awareness to the services we provide including education on monitors for cardiac patients
- 10% increase in prices to streamline prices across specialties



Cardiac Rehab

- Add an RN and exercise physiologist
- Continue program renewal and expansion to work closely with our cardiology clinic and cardiologists

OUTPATIENT SURGICAL SERVICES

Jefferson Healthcare Surgical Associates & surgery center

Our plan for next year is to

- Toggle schedules as we incorporate 2 new surgeons into JHSA, creating a flex schedule to accommodate changes and time away more effectively
- Enhancing surgical offerings with use of an ultrasound
- Refiguring physical space to streamline scope reprocessing

Volumes	.13% decrease (JHSA) 4% decrease (surgery center)
Pricing change	10% increase to streamline prices across specialty clinics
Expenses	31.4% increase
FTE change	Add 0.8 FTE

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Home Health & Hospice

- Epic!

Support Services

Helping our Community Live Well

HOSPICE SERVICES

Hospice - Primary objectives:

Our plan for next year is to

- Adjust leadership model to add a Director of Hospice and Home Health, as well as a nursing manager
- Expand palliative care services from Pilot to Program
- Continue to partner with Primary Care to inform patients

Volumes	7% increase
Pricing change	No material change
Expenses	16.9% increase
FTE change	Add 1.8 FTE



HOSPICE FOUNDATION

Hospice Foundation Support

The Foundation has generously continued their financial support of:

- Bereavement services
- Fundraising
- Chaplain services
- Volunteer coordination

The Hospice Foundation donates \$75,000 annually



Home Health - Primary objectives:

Our plan for next year is to:

- Implement and stabilize a new leadership structure
- Increase services to community
- Improve patient satisfaction, quality outcomes and reimbursement through staff development

Volumes	3% increase
Pricing change	No change in pricing 1.88% decrease in reimbursement
Expenses	1.7% decrease
FTE change	Decrease 0.5 FTE due to change in allocation with hospice

The path to EPIC.



Implementation components

- Training all HH/H employees, 16-32 hours each
- Clinical informatics support, +1 FTE

Hardware

- New laptops for mobile HH/H employees

- This implementation will allow for streamlined communication between home health/hospice teams and other hospital providers and care teams



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ACCOUNTING

Focus on growing the team:

- Adding a financial analyst to assist with reporting needs, as well as a senior accountant role a bit later in the year
- Transitioning to a payroll specialist role to add depth to payroll bench
- In partnership with IT, HR and materials management, determine best path to update or replace Infor/Lawson
- 6.7 FTE 2018 → 7.9 FTE 2019



ADMINISTRATION

Focus on meeting community need and navigating stormy waters:

- Finalize master site plan and prioritize facility improvements and additions
- Complete community needs and feasibility analysis to determine service additions
- Monitor federal and state policy changes and respond accordingly
- Add 0.3 grant writer
- 6.4 FTE 2018 → 5.2 FTE 2019

BOARD OF COMMISSIONERS

Department Name	Dist Acct	ACCOUNT DESCRIPTION	'2017 YE Actual	'2018 Projected	'2019 Proposed Budget	'Diff from 2018 Projected
BOARD	600010	MANAGEMENT & SUPERVISION WAGES	51,723.81	53,999.41	61,440.00	7,440.59
	602300	CONSULT MNGMT FEE	16,652.54	26,268.26	25,000.00	(1,268.26)
	602500	AUDIT FEES	31,354.40	75,095.22	40,000.00	(35,095.22)
	604200	CATERING	1,530.36	1,241.40	1,500.00	258.60
	604500	OFFICE SUPPLIES	127.59	2.94	294.00	291.06
	604800	MINOR EQUIPMENT	-	1,191.98	-	(1,191.98)
	604850	COMPUTER EQUIPMENT	-	-	1,000.00	1,000.00
	604900	OTHER NON-MEDICAL SUPPLIES	9.76	0.83	-	(0.83)
	606500	OTHER PURCHASED SERVICES	11,219.46	(504.14)	10,000.00	10,504.14
	608200	LEASES/RENTALS - EQUIPMENT	74.00	-	-	-
	609400	TRAVEL/MEETINGS/TRAINING	16,392.46	17,410.40	20,000.00	2,589.60
			129,084.38	174,706.30	159,234.00	(15,472.30)
BOARD Total			129,084.38	174,706.30	159,234.00	(15,472.30)
			129,084.38	174,706.30	159,234.00	(15,472.30)

- Budgeted for the maximum compensation for each commissioner of \$128/day for a total of \$12,288 per commissioner
- Continued trend of travel expenses over the last few years
- Total expenses of \$159,234 + benefits



LEGAL / COMPLIANCE & RISK MANAGEMENT

Legal/Compliance

- Continue to develop the Compliance Support Team
- Streamline the contracts review and approval process to ensure high-quality contracts

Risk Management

- Implement the Communication Resolution Program with all providers (training around the disclosure of adverse events to patients/family and documentation)
- Perform risk assessments in wound, oncology, dermatology, dental and cardiac services departments
- Add Risk Management presence to the Environment of Care and Employee Safety committees
- Budget includes employee pay related to time on investigations or other risk related tasks





DIETARY

Key priorities for 2019:

Streamlining café flow

- Addition a second line for employees for faster service during breaks
- Changing staffing to ensure coverage for increased dinner volumes

Continuing to meet patient and visitor preferences

- Enhance our grab and go food options and build/promote family take home meal options
- Perform more cooking demonstrations in our local schools, in collaboration with our Community Health Initiative Plan
- Assist SLG with a kitchen/dining area design for the impending master site plan

5% growth in revenue; projected 2018 - \$657,206 → budgeted 2019 - \$690,000

Stable staffing at 14.8 FTE



ENVIRONMENTAL SERVICES & LAUNDRY

- Continue our partnership with Infection Control to reduce hospital acquired infection events by vigilance, continuous process improvement and education
- Cover expanding service demands without 1:1 FTE additions by cross training, equipment utilization and team cleaning
- Update all hand washing/sanitizing dispensers with new look and new capabilities so we can focus on hand hygiene
- Continue relationship with Skookum for laundry services; increased for dental and volume changes

EVS FTE:

2018 23.25

2019 24.25

added 1.0 for 2nd/3rd floor ESSB

FACILITIES

Facilities/Engineering

- Replace the hospital's 23 year old boilers and steam generators
- Adding 1.0 FTE electrician; technology changes drive more need for electrical work for all space improvements

Biomed

- Achieve a 0% tolerance rating on preventative maintenance orders
- Strengthen our in-house repair/preventive maintenance program to reduce costs of sending equipment out for repair

Projects

- Make offsite projects more accessible and efficient
- Upgrade the ACU, ICU, Swing and FBC inpatient rooms
- Add a 1.0 FTE to assist with projects to maintain in-house work when possible

Security

- Improve the employee satisfaction score on "Do you feel safe working here?" by being on-site 24/7 and escorting staff when needed after hours
- 24/7 security added in October 2018; results in .5 FTE increase for 2019
- Take the lead on all of the Code Gray events; this will allow a safer transition for patients and staff



HUMAN RESOURCES

Continue to focus on recruiting and retaining employees

- Adding branding to our social media platforms
- Re-energizing new employee orientation and new-hire swag
- Funds designated for leadership development and retreats

Incorporating employee health services into HR function

- Improve the Flu vaccination program to meet the needs of the internal customers and also assure patient, staff and community safety.
- Streamline documentation and record keeping through the use of an electronic health record.
- Fully implement the healthy eating and exercise program - 5210 campaign

INFORMATION TECHNOLOGY & CLINICAL INFORMATICS

As we grow, these teams grow to support the needs of end users.



Information Technology

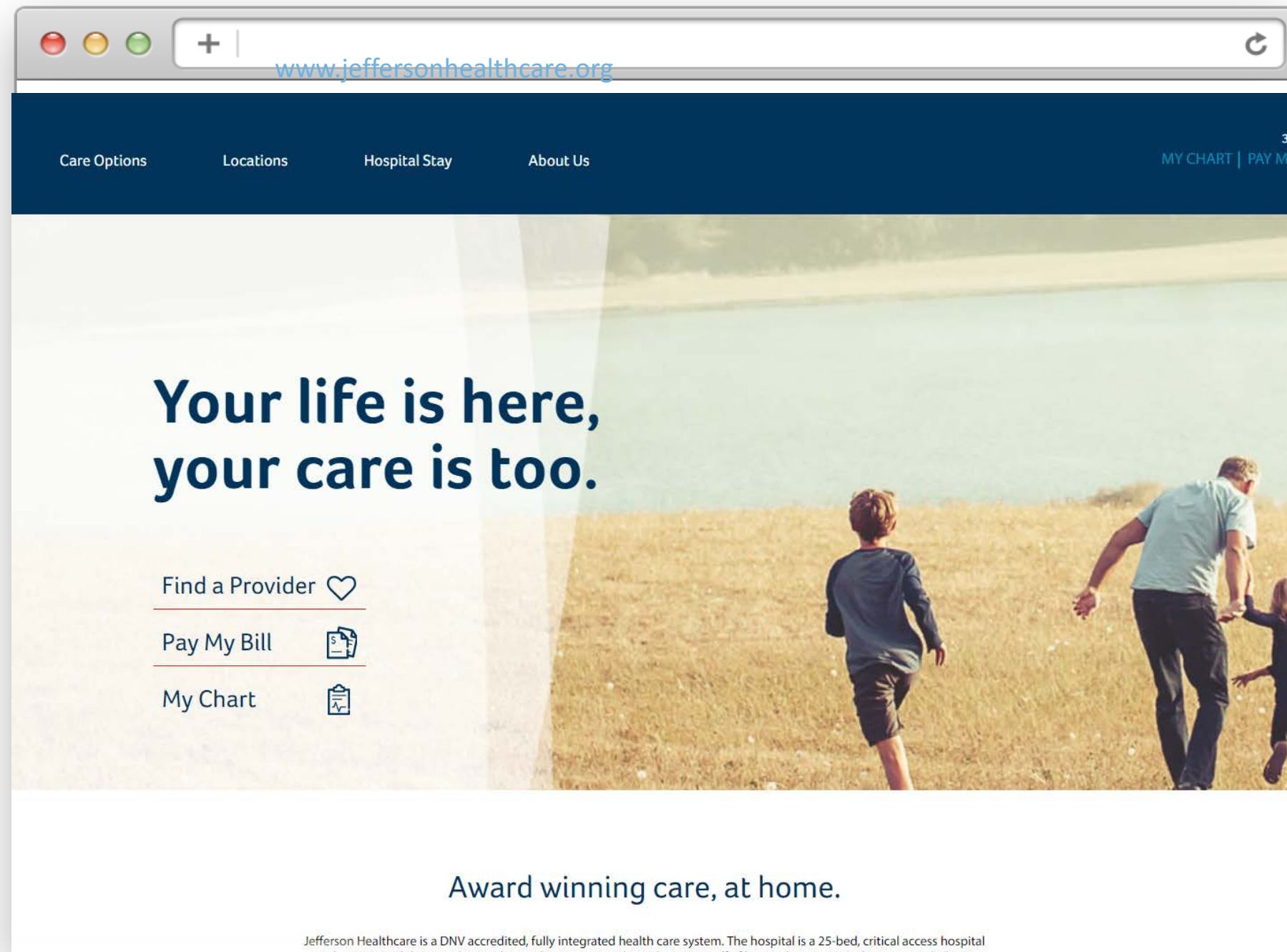
- Mature cyber security protections
- Upgrade to core infrastructure and systems
- Accelerate computer replacement cycle
- Overall budget: \$2.35M
- FTE changes:
 - Add 1.0 help desk FTE to assist with computer replacements (.8 in 2019)

Clinical Informatics

- Improve provider work experience and efficiency and reduce clinician burnout
- Provide training to improve clinical documentation
- Support growth and innovation to enhance patient safety and the patient experience
- Enhance data and analytics to provide operational tools for leaders to support data-driven decisions
- Overall 2019 budget: \$1.7M
- FTE changes:
 - Convert existing 1.0 FTE into clarity report writer
 - Add 1.0 analyst to help implement HH/H and dental modules

MARKETING/PUBLIC RELATIONS

“ *Better care, right here.*



Continue to tell our story

- Seek out opportunities to share
- Promote numerous patient safety and quality awards
- Promote expansion of services and high quality providers

Focus our spend where it has impact

- Menu of consistent offerings
- Aligned presentation and brand ... in every case
- Using social media

Maximize the skills of our own team

- Most layouts and website changes done in-house
- Most designs done in-house

Staffing consistent between years

Shifting .4 FTE from Admin to marketing (2019 budget - 1.4 FTE)

MATERIALS MANAGEMENT

Our plan is to:

- Optimize Electronic Supply management throughout the Jefferson Healthcare system
- Reconfigure Materials Management breakdown room to capture additional storage space and improve functionality, throughput and ergonomics

Staffing:

Increase FTE by .25 to assist with maximization of Infor

2018 projected: 7.2

2019 budgeted: 7.8



MEDICAL STAFF

Changes on paper

- Chief pay now coded to medical staff department
 - Includes: CMO, CMO Med Group, CMIO, Chief of several service lines, Chief of Staff

Adding support

- Incorporating payor credentialing into medical staff services department
- Reduction in “Payor not Credentialed” denials planned as a result of improved process



REVENUE CYCLE OPERATIONS

	<i>2018 staffing</i>	<i>2019 staffing</i>	<i>Key priorities</i>
<i>Registration</i>	13.7 FTE	13.7 FTE	Standardize the customer service experience and phasing-in of pre-registration services
<i>Financial Counseling</i>	4.0 FTE	4.0 FTE	Focus on pre-service financial planning – focus on using our team to make human connections and automating or contracting payment processing
<i>Billing</i>	11.3 FTE	14.1 FTE	Prioritize staffing and leadership needs to build a complete team; learn dental billing
<i>Health Information Management (HIM / medical records)</i>	12.3 FTE	13.4 FTE	Continue to learn specialty coding and build bench strength; creating a feedback loop for providers to improve timeliness of coding
<i>Revenue Cycle Integrity</i>	4.7 FTE	6.3 FTE	Implement revenue cycle health checks across departments and focus on hardwiring a feedback loop for providers and department leaders

QUALITY

Utilization review

- Provide smooth transitions of care for patients and their families
- Integrate utilization review and discharge planning in the ED, ICU ACU & FBC
- Develop a cohesive team with streamlined work flows
- Utilize physician advisory services to decrease denials through technical consultation and education of case managers and hospitalists

Quality

- Add 2.0 quality analysts to work with the medical group, population health, and acute care quality
- Collaborate with Clinical Informatics to develop a data governance strategy and connect leaders, staff and providers at all levels of the organization with quality and patient safety
- Partner with population health and value based purchasing efforts to assist in our transition toward quality based contracts
- Partner with Medical Staff to develop timely provider feedback reports
- Optimize the role of clinical education to assist with the development of the Jefferson Healthcare Learning Institute

Infection Prevention

- 2019 Reduce and sustain reduction in Clostridium difficile Infections (CDI)
- Improve Hand Hygiene compliance



2019

Overview of 2019

Inpatient & nursing services

- Focus on operational excellence
- Growth of 3% budgeted in ACU, ICU and swing (consistent FBC volumes)

Outpatient

- Continue to streamline patient flow between departments
- Modest growth of 3-5% budgeted in most departments

Clinics

- Operational rigor
- Growth related to providers already added

Home Health & Hospice

- Epic!

Support Services

Helping our Community Live Well

HELPING OUR COMMUNITY LIVE WELL

Jefferson Healthcare Foundation

- Increasing FTE from 0.5 to 0.7
- Focusing on establishing a sustainable model of both fundraising and grant writing to support Jefferson Healthcare's priorities
- Expenses are in-kind donations from Jefferson Healthcare to Jefferson Healthcare Foundation and include staff, space and IT needs

A photograph of a woman with brown hair and bangs, smiling warmly while holding a young child with light brown hair. The child is wearing a blue long-sleeved shirt and is also smiling. The background is dark and out of focus.

Jefferson Healthcare Foundation

Empowering a healthier future for patients and their loved ones

HELPING OUR COMMUNITY LIVE WELL.

Population Health

Our priorities for next year are:

- Continue to work on housing, food, and social isolation, while adding in financial health and early life
- Refine our story, and tell it as often as possible to whoever will listen
- Expand our role in advocacy, and continue to explore the best way to explain data
- Prepare for the big shift.

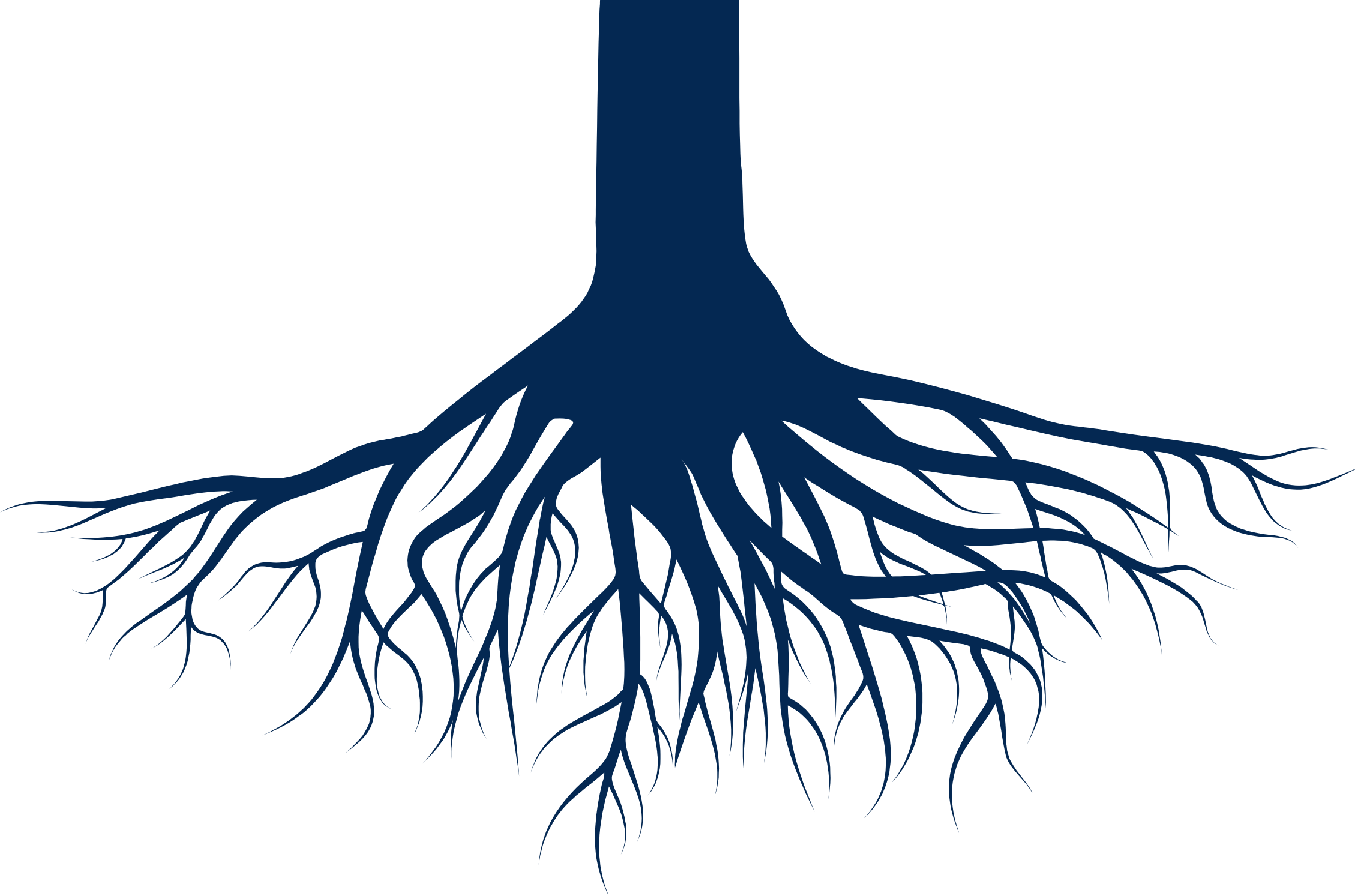


HELPING OUR COMMUNITY LIVE WELL.

Care Transformation

- Many unknowns as the future model of Accountable Care Organizations (ACO) is not established
 - Assumed we are not continuing with the existing Rocky Mountain ACO model
 - AIMS funding terminated in 2018 (\$400,000/year)
- Budgeted conservatively; used a high cost model
- Moving toward care navigator model (MAs rather than RNs); maintaining 5.0 FTE model
 - Expanding services for Amerigroup value based contract
 - More flexible program without ACO requirements; care coordinators can work with all high-risk patients despite payor





Wellness

- Investing in space for wellness classes (Tai Ji Quan, Parkinson's dance classes)
- 1200 sq ft, located near Exercise for Health location (Castle Hill, old smoke shop)
- Space available for other community need-based meetings and support groups
- Creates a central hub for wellness-type activities and materials
- 1.45 FTE, generally self-supporting through cash-pay wellness class fees

Exercise for Health

- Continuing to promote an avenue of step down recovery for our patients
- Primarily focused on training patients with cardiac and pulmonary conditions
- No material changes to staffing, revenues or expenses

HELPING OUR COMMUNITY LIVE WELL.

Community Health Improvement Plan

- Continue to support a portion of the executive director and program costs

Sexual Assault Nursing Examiners (SANE) Program

- Continue to support a portion of the program manager and program costs
- Costs recorded on our budget as \$45,000 with community partner donations of \$30,000

Reproductive services

- Continue to provide comprehensive reproductive services for our community
- Expand notification of service availability to Clallam county services and providers

2019

Overview of 2019

Inpatient & nursing services

- Focus on operational excellence
- Growth of 3% budgeted in ACU, ICU and swing (consistent EBC volumes)

Outpatient

- Contin
- Mode

**BRINGING IT
TOGETHER**

Clinics

- Operational rigor
- Growth related to providers already added

Home Health & Hospice

- Epic!

Support Services

Helping our Community Live Well

BRINGING IT TOGETHER: Income statement [draft]

	2017 Actual	2018 Budget		June 2018 Projected		Jul 2017-Jun 2018		2019 Budget		Difference from 2018 Projected
01_IP REVENUE	(45,304,303)	(51,909,326)		(45,646,786)		(44,493,299)		(49,088,241)		(3,441,454)
02_OP REVENUE	(163,990,002)	(186,762,393)		(183,721,464)		(175,530,665)		(200,009,891)		(16,288,428)
TOTAL PATIENT REVENUES	(209,294,306)	(238,671,719)		(229,368,250)		(220,023,964)		(249,098,132)		(19,729,882)
05_REV DED/MEDICARE	72,192,554	83,280,483	-35%	81,241,101	-35%	75,629,738	-34%	85,239,251	-34%	3,998,150
06_REV DED/MEDICAID	19,464,977	23,890,272	-10%	22,159,835	-10%	20,338,109	-9%	24,122,333	-10%	1,962,498
07_CHARITY CARE	1,437,426	1,471,539	-1%	2,623,378	-1%	2,254,027	-1%	2,849,052	-1%	225,674
08_CONT ADJ OTHER	16,420,918	18,353,377	-8%	17,137,347	-7%	17,177,619	-8%	18,564,501	-7%	1,427,154
09_REV DED/ADMIN	532,961	531,320	0%	1,020,483	0%	809,572	0%	1,108,075	0%	87,592
10_BAD DEBTS	2,778,472	3,465,805	-1%	3,899,950	-2%	3,064,665	-1%	3,235,439	-1%	(664,510)
TOTAL REVENUE ADJUSTMENTS	112,827,308	130,992,796	-54.9%	128,082,094	-55.8%	119,273,731	-54.2%	135,118,652	-54.2%	7,036,558
NET PATIENT SERVICE REVENUE	(96,466,998)	(107,678,923)		(101,286,156)		(100,750,233)		(113,979,480)		(12,693,324)
11_GRANTS	(18,636)	(20,000)		-		(18,636)		(1,303,325)		(1,303,325)
12_OTHER REVENUE	(1,600,225)	(1,491,660)		(1,848,100)		(1,872,788)		(3,992,346)		(2,144,246)
13_REV/MEANINGFUL USE	139,301	-		-		139,301		(40,000)		(40,000)
14_340B REVENUE	(2,955,147)	(3,473,800)		(3,489,253)		(3,031,229)		(3,838,000)		(348,747)
TOTAL OTHER REVENUES	(4,434,708)	(4,985,460)		(5,337,353)		(4,783,353)		(9,173,671)		(3,836,318)
TOTAL OPERATING REVENUES	(100,901,706)	(112,664,383)		(106,623,509)		(105,533,586)		(123,153,151)		(16,529,642)

BRINGING IT TOGETHER: Income statement [draft] cont'd

	2017 Actual	2018 Budget	June 2018 Projected	Jul 2017-Jun 2018	2019 Budget	Difference from 2018 Projected
20_SALARIES	49,279,446	56,550,859	53,662,983	52,478,151	58,991,519	5,328,536
21_EMPLOYEE BENEFITS	11,814,074	14,245,919	13,307,362	12,341,404	14,790,948	1,483,586
22_PROFESSIONAL FEES	5,475,974	4,515,736	4,808,415	5,714,834	4,159,300	(649,115)
23_PURCHASED SERVICES	6,004,178	6,879,616	6,438,900	6,162,781	7,956,924	1,518,023
24_SUPPLIES	15,499,518	16,705,575	17,916,825	16,991,920	21,381,838	3,465,013
25_INSURANCE	608,885	675,800	698,317	663,243	640,829	(57,488)
26_LEASES/RENTALS	1,403,952	1,451,384	1,502,268	1,535,430	1,872,664	370,396
27_DEPRECIATION	4,438,693	4,673,247	4,845,428	4,817,812	4,894,821	49,393
28_REP&MAINT	546,341	957,812	658,473	601,545	1,150,430	491,957
29_UTILITIES	1,020,177	1,035,105	1,138,858	1,096,665	1,261,060	122,202
30_LICENSES/TAXES	662,546	608,331	619,564	653,627	654,849	35,285
31_OTHER	1,632,255	2,327,333	1,726,860	1,754,242	2,435,636	708,776
TOTAL OPERATING EXPENSES	98,386,039	110,626,717	107,324,253	104,811,653	120,190,817	12,866,564
OPERATING (INCOME) LOSS	(2,515,667)	(2,037,666)	700,744	(721,933)	(2,962,334)	(3,663,078)

BRINGING IT TOGETHER: Income statement [draft] cont'd

	2017 Actual	2018 Budget	June 2018 Projected	Jul 2017-Jun 2018	2019 Budget	Difference from 2018 Projected
OPERATING (INCOME) LOSS	(2,515,667)	(2,037,666)	700,744	(721,933)	(2,962,334)	(3,663,078)
40_TAX M&O	(209,528)	(272,000)	(303,604)	(259,755)	(306,220)	(2,616)
41_TAX DEBT	(224,177)	(195,000)	(223,615)	(229,285)	(241,740)	(18,125)
41.1_TAX REFUNDS	-	-	-	-	-	-
42_INVESTMENT INCOME	(150,092)	(162,500)	(328,695)	(212,817)	(331,800)	(3,105)
43_INTEREST EXPENSE	800,949	1,153,322	1,054,502	998,212	997,181	(57,321)
44_GAIN/LOSS ON SALE	30,218	-	-	30,218	-	-
45_CONTRIBUTIONS	(371,049)	(172,000)	(105,545)	(116,613)	(259,000)	(153,455)
46_EXTRAORDINARY	-	-	-	-	-	-
47_BOND ISSUE COSTS	10,000	-	-	10,000	-	-
TOTAL NONOPERATING (REVENUES) EXPENSES)	(113,681)	351,822	93,043	219,960	(141,579)	(234,622)
CHANGE IN NET POSITION: (POSITIVE)/NEGATIVE	(2,629,348)	(1,685,844)	793,788	(501,973)	(3,103,913)	(3,897,701)

BRINGING IT TOGETHER: Key operating ratios [draft]

	2017 Actual	2018 Budget	June 2018 Projected	Jul 2017-Jun 2018	2019 Budget	Difference from 2018 Projected
Operating Margin	2.49%	1.81%	-0.66%	0.68%	2.41%	3.06%
Total margin	2.61%	1.50%	-0.74%	0.48%	2.52%	3.26%
Salaries & Benefits as a % of net pt. service rev.	63.33%	65.75%	66.12%	64.34%	64.73%	-1.39%
Salaries & Benefits as a % of total revenue	60.55%	62.84%	62.81%	61.42%	59.91%	-2.90%
Salaries & Benefits as a % of total expenses	62.10%	64.00%	62.40%	61.84%	61.39%	-1.01%
51_ADJUSTED PATIENT DAYS	20,784	25,550	23,192	21,342	26,765	3,573
Gross Patient Revenue / Adjusted Patient Day	10,069.97	9,341.36	9,889.97	10,309.44	9,306.91	(583.06)
Net Patient Service Revenue / Adjusted Patient Day	4,641.41	4,214.44	4,367.29	4,720.75	4,258.55	(108.74)
Wages & Benefits / Adjusted Pt. Day	2,939.45	2,770.91	2,887.65	3,037.18	2,756.69	(130.96)
Total Operating Expense / Adj. Pt. Day	4,733.74	4,329.81	4,627.64	4,911.05	4,490.62	(137.02)
Total Oper. Exp. / Net Pt. Rev	97.51%	98.19%	100.66%	99.32%	97.59%	-3.06%
Labor Hours / Adjusted Patient Day	45.88	42.00	48.67	47.68	47.58	(1.09)
Total Oper. Expense (excl. depreciation) / Adj Pt Day	4,520.18	4,146.91	4,418.71	4,685.31	4,307.74	(110.97)
Labor Hours (excludes providers)	953,514	1,073,197	1,128,844	1,017,598	1,273,542	144,698

BRINGING IT TOGETHER: Staffing by department [draft]

DEPT.	DESCRIPTION	2017 ACTUAL		2018 ACTUAL		2018 PRODUCTIVE %	2019 FTE, PRODUCTIVE	2019 FTE, TOTAL	ADDS for 2019 over 2018 Actual YTD	2018 FTE BUDGET, TOTAL	ADDS for 2019 over 2018 Budget	2019 FTE, PROVIDERS
		FTE, PRODUCTIVE	2017 ACTUAL FTE, TOTAL	YTD FTE, PRODUCTIVE	YTD FTE, TOTAL							
6010	ICU	12.462	14.842	11.952	13.984	0.850	13.983	16.450	2.466	15.050	1.400	-
6070	ACU	36.484	41.018	37.624	42.255	0.890	31.150	35.000	(7.255)	37.580	(2.580)	-
6170	NEWBORN	-	-	-	-	0.890	-	-	-	-	-	-
6210	SWING BED	0.075	0.082	-	-	0.890	-	-	-	-	-	-
6400	HOSPITALIST	0.878	1.003	-	-	0.890	-	-	-	1.000	(1.000)	5.700
7010	FBC	9.543	11.125	9.909	11.334	0.870	8.461	9.725	(1.609)	11.210	(1.485)	-
7020	GENERAL SURGERY	11.415	12.726	11.949	13.489	0.890	15.753	17.700	4.211	13.300	4.400	-
7021	SURGERY-SPEC PROC	0.758	0.913	0.669	0.801	0.830	0.706	0.850	0.049	0.800	0.050	-
7030	PRE/POST OP	0.892	0.980	0.769	0.926	0.830	0.830	1.000	0.074	1.000	-	-
7040	ANESTHESIOLOGY	-	-	-	-	0.890	-	-	-	-	-	5.000
7050	CENTRAL SUPPLY	1.600	1.819	1.610	1.816	0.890	2.670	3.000	1.184	2.800	0.200	-
7070	LAB	22.064	25.160	22.151	24.637	0.900	25.069	27.854	3.217	25.520	2.334	-
7078	BLOOD BANK	-	-	-	-	0.890	-	-	-	-	-	-
7110	CARDIAC SERVICES	1.141	1.311	0.964	1.201	0.800	-	-	(1.201)	0.900	(0.900)	-
7120	MRI	1.285	1.423	1.173	1.419	0.830	1.619	1.950	0.531	2.020	(0.070)	-
7130	CT SCAN	2.571	2.565	2.405	2.405	1.000	3.850	3.850	1.445	3.900	(0.050)	-
7140	RADIOLOGY	10.842	12.386	11.521	13.160	0.880	9.240	10.500	(2.660)	11.320	(0.820)	-
7142	ECHO	1.003	1.103	1.130	1.194	0.950	1.900	2.000	0.806	2.000	-	-
7143	ULTRASOUND	1.995	2.219	2.042	2.314	0.880	2.024	2.300	(0.014)	2.100	0.200	-
7149	MAMMOGRAPHY	1.036	1.080	1.140	1.204	0.950	1.520	1.600	0.396	1.470	0.130	-
7160	NUC MED	0.527	0.593	0.526	0.614	0.860	1.462	1.700	1.086	0.800	0.900	-
7170	PHARMACY	8.360	9.076	8.381	9.039	0.930	8.021	8.625	(0.414)	9.130	(0.505)	-
7171	PHARMACY 340B	-	-	-	-	0.890	-	-	-	-	-	-

BRINGING IT TOGETHER: Staffing by department [draft] cont'd

DEPT.	DESCRIPTION	2017 ACTUAL FTE, PRODUCTIVE	2017 ACTUAL FTE, TOTAL	2018 ACTUAL YTD FTE, PRODUCTIVE	2018 ACTUAL YTD FTE, TOTAL	2018 PRODUCTIVE %	2019 FTE, PRODUCTIVE	2019 FTE, TOTAL	ADDS for 2019 over 2018 Actual YTD	2018 FTE BUDGET, TOTAL	ADDS for 2019 over 2018 Budget	2019 FTE, PROVIDERS
7180	RESPIRATORY THERAPY	7.622	8.474	6.081	6.676	0.910	7.462	8.200	1.524	8.900	(0.700)	-
7182	PULM REHAB	0.842	0.918	0.880	0.951	0.920	1.067	1.160	0.209	0.890	0.270	0.050
7200	PHYSICAL THERAPY	23.604	25.804	27.389	30.272	0.900	31.995	35.550	5.278	28.950	6.600	-
7210	OCCUPATIONAL THERAPY	-	-	-	-	0.890	-	-	-	-	-	-
7215	SPEECH THERAPY	-	-	-	-	0.890	-	-	-	-	-	-
7230	EMERGENCY DEPT	20.163	22.162	20.824	22.640	0.920	20.948	22.770	0.130	24.100	(1.330)	-
7231	EMERGENCY DEPT PHYSICIAN FEES	-	-	-	-	0.890	-	-	-	-	-	-
7255	INFUSION CENTER	7.613	8.553	8.259	8.875	0.930	10.881	11.700	2.825	10.030	1.670	-
7256	WOUND CARE CLINIC	3.857	4.327	3.363	3.924	0.860	2.881	3.350	(0.574)	2.950	0.400	1.288
7258	ONCOLOGY	2.733	3.113	3.379	3.891	0.870	5.829	6.700	2.809	3.870	2.830	3.000
7260	ANTI COAG	0.523	0.552	1.359	1.532	0.890	1.691	1.900	0.368	1.850	0.050	-
7280	SOCO CLINIC	0.983	1.115	1.146	1.328	0.860	2.064	2.400	1.072	2.400	-	1.000
7281	SURGERY CENTER	2.446	2.752	2.564	2.843	0.900	2.773	3.081	0.238	3.230	(0.149)	-
7381	JHFM	13.152	14.480	15.664	17.042	0.920	12.765	13.875	(3.167)	19.350	(5.475)	4.505
7382	JHPC	35.810	39.774	39.709	43.824	0.910	34.899	38.350	(5.474)	47.950	(9.600)	14.250
7383	DENTAL CLINIC	-	-	-	-	0.890	7.165	8.050	8.050	-	8.050	1.450
7384	GEN SURG CLINIC	7.436	8.371	7.901	8.884	0.890	8.455	9.500	0.616	9.310	0.190	5.613
7386	UROLOGY	-	-	-	-	0.890	-	-	-	-	-	-
7387	SLEEP CENTER	4.450	5.028	4.337	4.907	0.880	4.752	5.400	0.493	5.800	(0.400)	-
7388	SLEEP CLINIC	1.417	1.557	1.765	1.998	0.880	1.760	2.000	0.002	2.000	-	1.000
7393	PORT LUDLOW CLINIC	4.287	4.856	7.126	7.853	0.910	6.957	7.645	(0.208)	9.350	(1.705)	3.500
7394	JHIM	8.045	8.642	7.353	8.089	0.910	7.018	7.712	(0.377)	9.450	(1.738)	2.500
7395	ORTHO CLINIC	6.404	7.048	6.310	6.969	0.910	8.645	9.500	2.531	9.700	(0.200)	4.800

BRINGING IT TOGETHER: Staffing by department [draft] cont'd

DEPT.	DESCRIPTION	2017 ACTUAL		2018 ACTUAL		2018 PRODUCTIVE %	2019 FTE, PRODUCTIVE	2019 FTE, TOTAL	ADDS for 2019 over 2018 Actual YTD	2018 FTE BUDGET, TOTAL	ADDS for 2019 over 2018 Budget	2019 FTE, PROVIDERS
		FTE, PRODUCTIVE	2017 ACTUAL FTE, TOTAL	YTD FTE, PRODUCTIVE	YTD FTE, TOTAL							
7397	WOMENS HEALTH	3.181	3.575	3.420	3.829	0.890	3.391	3.810	(0.019)	3.920	(0.110)	1.750
7400	HOME HEALTH	17.012	18.122	18.091	19.410	0.930	17.547	18.868	(0.542)	19.230	(0.362)	0.125
7410	HOSPICE	7.835	8.537	8.523	10.093	0.840	10.063	11.980	1.887	8.990	2.990	0.200
7415	SANE	-	-	-	-	0.890	0.267	0.300	0.300	-	0.300	-
7420	CARE COORDINATION	4.344	5.039	3.981	4.593	0.870	4.350	5.000	0.407	5.560	(0.560)	-
7425	POPULATION HEALTH	0.115	0.115	0.681	0.681	0.890	0.623	0.700	0.019	1.700	(1.000)	0.100
7430	CHIP					0.890	0.445	0.500	0.500	-	0.500	-
7435	BH INTEGRATION					0.890	-	-	-	-	-	-
7440	EXPRESS CLINIC	-	-	3.201	3.201	1.000	3.000	3.000	(0.201)	4.500	(1.500)	2.700
7490	CARDIAC REHAB	1.081	1.180	0.548	0.574	0.950	0.618	0.650	0.076	1.240	(0.590)	-
7491	DIABETIC ED	1.295	1.483	1.254	1.471	0.850	1.785	2.100	0.629	1.900	0.200	-
7500	CARDIOLOGY CLINIC	2.697	2.338	2.810	3.134	0.900	5.018	5.575	2.441	3.500	2.075	1.000
7691	DERMATOLOGY CLINIC	3.244	3.401	4.169	4.654	0.900	4.914	5.460	0.806	5.700	(0.240)	2.500
7692	PL RETAIL PHARMACY	-	-	-	-	0.890	2.403	2.700	2.700	-	2.700	-
8320	DIETARY	13.742	14.976	13.586	14.819	0.920	13.639	14.825	0.006	14.350	0.475	-
8360	SOC SVS	4.245	4.992	0.423	0.611	0.690	-	-	(0.611)	-	-	-
8420	MAT MGMNT	6.529	7.221	6.866	7.565	0.910	7.098	7.800	0.235	7.500	0.300	-
8430	PLANT	10.954	11.853	11.682	12.546	0.930	14.043	15.100	2.554	13.400	1.700	-
8432	PROJ MAINT	-	-	-	-	0.890	-	-	-	-	-	-
8435	BIOMED	1.614	1.793	1.872	2.019	0.930	1.860	2.000	(0.019)	2.000	-	-
8460	HSKP	21.087	23.263	20.826	23.249	0.900	21.825	24.250	1.001	23.890	0.360	-
8480	IS	6.697	7.515	7.033	7.850	0.900	7.695	8.550	0.700	7.830	0.720	-
8510	ACCOUNTING	5.868	6.600	5.448	6.701	0.810	6.426	7.933	1.232	7.800	0.133	-

BRINGING IT TOGETHER: Staffing by department [draft] cont'd

DEPT.	DESCRIPTION	2017 ACTUAL		2018 ACTUAL		2018 PRODUCTIVE %	2019 FTE, PRODUCTIVE	2019 FTE, TOTAL	ADDS for 2019 over 2018 Actual YTD	2018 FTE BUDGET, TOTAL	ADDS for 2019 over 2018 Budget	2019 FTE, PROVIDERS
		FTE, PRODUCTIVE	2017 ACTUAL FTE, TOTAL	YTD FTE, PRODUCTIVE	YTD FTE, TOTAL							
8520	CENTRALIZED SVCS	-	-	-	-	0.890	17.800	20.000	20.000	4.000	16.000	-
8530	PAT ACCT	10.065	11.020	10.375	11.328	0.920	12.972	14.100	2.772	13.550	0.550	-
8560	REG	12.195	13.638	12.669	13.716	0.920	12.650	13.750	0.034	16.440	(2.690)	-
8570	FINANCIAL COUNSELING	4.766	5.406	3.548	3.963	0.900	3.600	4.000	0.037	5.100	(1.100)	-
8580	REVENUE CYCLE INTEGRITY	4.308	4.855	4.278	4.784	0.890	5.607	6.300	1.516	4.800	1.500	-
8610	ADMIN	6.080	6.603	5.806	6.441	0.900	4.680	5.200	(1.241)	7.040	(1.840)	0.200
8612	BOARD	0.226	0.220	0.229	0.229	1.000	0.231	0.231	0.002	0.220	0.011	-
8615	PROC IMPROVEMENT	1.016	1.140	1.008	1.136	0.890	0.089	0.100	(1.036)	1.120	(1.020)	-
8620	EMPLOYEE HEALTH	0.885	0.926	0.786	0.884	0.890	1.291	1.450	0.566	1.240	0.210	-
8630	PUBLIC RELATIONS	0.429	0.443	0.921	1.000	0.920	1.288	1.400	0.400	1.400	-	-
8635	FOUNDATION	0.191	0.191	0.425	0.425	1.000	0.700	0.700	0.275	0.500	0.200	-
8650	HUMAN RESOURCES	6.157	6.688	6.700	7.281	0.920	6.440	7.000	(0.281)	7.500	(0.500)	-
8690	HIM	11.668	12.890	10.882	12.227	0.890	11.944	13.420	1.193	12.900	0.520	-
8700	MED STAFF	0.824	1.004	0.914	1.006	0.910	1.820	2.000	0.994	1.000	1.000	2.325
8705	COMPLIANCE	0.463	0.479	0.957	1.000	0.960	0.960	1.000	-	1.500	(0.500)	-
8710	UR(CASE MANAGERS)	2.041	2.280	3.166	3.562	0.890	4.628	5.200	1.638	5.100	0.100	-
8715	PATIENT ADVOCATES	-	-	-	-	0.890	1.246	1.400	1.400	1.300	0.100	-
8720	NURS ADM	7.665	8.445	7.804	8.375	0.930	7.831	8.420	0.045	7.330	1.090	-
8735	RISK MANAGEMENT	1.747	1.934	1.855	2.032	0.910	1.862	2.046	0.014	1.840	0.206	-
8740	QUALITY	4.474	5.005	4.312	4.907	0.880	6.248	7.100	2.193	6.010	1.090	0.400
8750	CLINICAL INFORMATICS	5.397	6.215	4.541	5.538	0.820	6.970	8.500	2.962	7.900	0.600	-
8755	EMERGENCY MANAGEMENT	-	-	-	-	0.890	0.271	0.304	0.304	-	0.304	-
8770	EXERCISE FOR HEALTH	1.137	1.316	1.046	1.157	0.900	2.170	2.411	1.254	1.250	1.161	-
8772	WELLNESS	-	-	-	-	0.890	1.291	1.450	1.450	-	1.450	-
8790	INFECTION CONTROL	0.429	0.429	0.431	0.431	1.000	0.750	0.750	0.319	0.470	0.280	-
Total		470.018	522.076	488.389	542.714	0.900	550.614	612.280	69.566	584.500	27.780	⁷⁰ 64.955

BRINGING IT TOGETHER: Volumes by department [draft]

DEPT.	DESCRIPTION	MEASURE	2017 STATISTICS	2018 YTD STATISTICS ANNUALIZED	PROPOSED 2019 STATISTICS	% GROWTH
6010	ICU	Total Patient Days + ICU OBS	1,107	984	1,014	3.00%
6070	ACU	Total Patient Days + ACU OBS <i>*reviewing this before the budget hearing</i>	4,319	3,996	4,116	3.00%
6170	NEWBORN	Nursery Days	-	-	-	4.00%
6210	SWING BED	Total Patient Days	141	94	97	3.00%
6400	HOSPITALIST	Total Patient Days	5,548	5,074	5,226	3.00%
7010	FBC	Total Births	116	120	125	4.00%
7020	GENERAL SURGERY	Total Surgery Cases	1,139	1,188	1,283	8.00%
7020a	GENERAL SURGERY	Total Surgery Minutes	108,650	237,520	256,522	8.00%
7021	SURGERY-SPEC PROC	Total Special Procedure Cases	720	828	911	10.00%
7030	PRE/POST OP	Total Recovery Cases	891	868	929	7.00%
7040	ANESTHESIOLOGY	Total Anesthesia Minutes	145,516	160,812	172,069	7.00%
7070	LAB	Lab Billable Tests	205,008	216,668	223,168	3.00%
7078	BLOOD BANK	Blood Bank Units Matched	553	698	705	1.00%
7110	CARDIAC SERVICES	Total Cardiac Services (EKG, Ambulatory, Treadmill, ECG)	1,108	1,288	-	-100.00%
7120	MRI	MRIs Completed	1,827	1,892	1,987	5.00%
7130	CT SCAN	CT Scans Completed	4,544	4,766	4,909	3.00%
7140	RADIOLOGY	Diagnostic Tests	15,185	16,822	17,663	5.00%
7142	ECHO	Total ECHOs	1,398	1,298	1,623	25.00%
7143	ULTRASOUND	Ultrasonounds Completed	3,322	3,668	3,851	5.00%
7149	MAMMOGRAPHY	Mammography	2,214	2,796	2,936	5.00%
7160	NUC MED	Nuclear Medicine Tests	220	342	687	30.38%
7170	PHARMACY	Meds Dispensed	144,320	273,292	294,151	7.63%
7180	RESPIRATORY THERAPY	Respiratory Therapy Procedures	35,352	39,248	40,818	4.00%
7182	PULM REHAB	Pulmonary Rehab RVUs	1,849	3,110	3,203	3.00%

BRINGING IT TOGETHER: Volumes by department [draft] cont'd

DEPT.	DESCRIPTION	MEASURE	2017 STATISTICS	2018 YTD STATISTICS ANNUALIZED	PROPOSED 2019 STATISTICS	% GROWTH
7200	PHYSICAL THERAPY	Physical Therapy RVUs	70,982	82,408	89,001	8.00%
7210	OCCUPATIONAL THERAPY	Occupational Therapy RVUs	10,298	15,098	15,551	3.00%
7215	SPEECH THERAPY	Speech Therapy RVUs	2,047	2,518	2,594	3.00%
7230	EMERGENCY ROOM	ER Census	12,966	12,454	12,828	3.00%
7231	EMERGENCY ROOM PHYSICIAN FEES	ER Census	12,966	12,454	12,828	3.00%
7255	INFUSION CENTER	Visits	6,444	6,696	7,700	15.00%
7256	WOUND CARE CLINIC	Visits	3,123	3,444	3,444	0.00%
7258	ONCOLOGY	Oncology Visits	3,832	4,036	6,000	48.66%
7260	ANTI COAG	Anti Coag	6,271	5,168	6,460	25.00%
7280	SOCO CLINIC	South County Visits	1,740	1,906	2,300	20.68%
7281	SURGERY CENTER	Endoscopies	1,073	858	824	-4.00%
7381	JHFM	Visits	12,126	12,518	13,000	3.85%
7382	JHPC	Visits	26,518	32,150	33,100	2.95%
7383	DENTAL CLINIC	Visits	-	-	2,500	0.00%
7384	GEN SURG CLINIC	Visits	3,099	3,802	3,797	-0.13%
7386	UROLOGY	Visits	-	2,710	2,791	3.00%
7387	SLEEP CENTER	Sleep Studies	701	846	880	4.00%
7388	SLEEP CLINIC	Visits	1,932	2,234	2,323	4.00%
7393	PORT LUDLOW CLINIC	Visits	5,529	6,668	8,500	27.48%
7394	JHIM	Visits	8,418	7,894	7,420	-6.00%
7395	ORTHO CLINIC	Visits	7,381	6,714	7,520	12.00%
7397	WOMENS HEALTH	Visits	1,898	2,664	2,744	3.00%

BRINGING IT TOGETHER: Volumes by department [draft] cont'd

DEPT.	DESCRIPTION	MEASURE	2017 STATISTICS	2018 YTD STATISTICS ANNUALIZED	PROPOSED 2019 STATISTICS	% GROWTH
7400	HOME HEALTH	Episodes	748	794	818	3.00%
7400a	HOME HEALTH	Visits	9,786	10,926	11,254	3.00%
7410	HOSPICE	Census/Days	10,666	12,692	13,580	7.00%
7410a	HOSPICE	Visits	4,193	5,768	6,172	7.00%
7440	EXPRESS CLINIC	Visits	-	5,818	7,900	35.79%
7490	CARDIAC REHAB	Sessions	1,877	1,104	1,435	30.00%
7491	DIABETIC ED	Visits	492	458	472	3.00%
7500	CARDIOLOGY CLINIC	Visits	1,793	2,918	3,350	14.79%
7691	DERMATOLOGY CLINIC	Visits	1,923	4,020	6,599	64.16%
8770	EXERCISE FOR HEALTH	Exercise for Health Participants	10,231	9,902	10,199	3.00%
	MOST SUPPORT TEAMS	Adjusted Patient Days	23,906	24,456	26,765	9.44%



LET'S TAKE A PAUSE.

Any questions on the operating budget before we move forward?

2019 BUDGET

Capital Budget (p)Review



CAPITAL BUDGET

2019 and 2020-2024

“*The capital budgeting process is a very fast way to spend \$2.4 million.*
-your trusted CFO

FLAVORS OF CAPITAL

The capital budget process captures different categories of capital expenditures.



Major moveable and fixed equipment

Replacement or new equipment for existing or growing services



Space improvements

Building out shell space, updating existing space, and staying ahead of aging aesthetics



Preventative replacement

HVAC systems, boilers, chillers, and other things we sometimes forget to appreciate



IT Infrastructure

Staying ahead of the IT curve and replacing components of the system proactively...
And adding cool new systems where we can afford (time and money) to do so

CAPITAL BUDGET: Squeeze into 2018

Finance Category	Department	Project Name	2018
<input type="checkbox"/> Capital	<input type="checkbox"/> ACU	Bariatric Bed Bart 10-A series	\$ 35,021.35
	<input type="checkbox"/> Anesthesia	Anesthesia Vaporizers	\$ 37,564.67
	<input type="checkbox"/> Dermatology Clinic	Blue Light Photodynamic Therapy Illuminator	\$ 8,284.00
	<input type="checkbox"/> Dietary	40 QT Stand Mixer	\$ 13,000.00
	<input type="checkbox"/> Facilities	Vehicle for Projects Team	\$ 40,000.00
	<input type="checkbox"/> FBC	Infant Hearing Screener	\$ 5,672.69
		Natus Infant Scale	\$ 5,361.38
	<input type="checkbox"/> IT	Network Monitoring	\$ 10,464.00
	<input type="checkbox"/> Lab	Thermo Scientific Centra W Cell Washer	\$ 9,268.90
	<input type="checkbox"/> MRI	MR Breast Coil	\$ 55,000.00
	<input type="checkbox"/> Rehab	Fiberoptic Endoscopic Evaluation of Swallowing (FEES)	\$ 14,769.50
	<input type="checkbox"/> Respiratory/RT	Draeger Ventilator	\$ 49,000.00
	<input type="checkbox"/> Surgery	Allen Lift Assist Beach Chair #A-91500	\$ 8,319.00
		Channel and Lumen Inspection System	\$ 18,648.77
		Olympus 30 Degree and 70 Degree Cystoscopes	\$ 13,150.33
		Steris OR Surgical Table 3085SP	\$ 37,947.78
	<input type="checkbox"/> Townsend Clinic	Copier	\$ 7,737.91
<input type="checkbox"/> Project-Capital	<input type="checkbox"/> Rehab	New Wellness Space	\$ 21,000.00
Grand Total			\$ 390,210.28

CAPITAL BUDGET: Prioritize into 2019

Finance Category	Department	Project Name	Grand Total
Capital	ACU	Copier	\$ 7,737.91
	Biomed	Infant Warmer Test Equipment	\$ 9,263.91
	Cardiac Rehab	Cardiopulmonary Rehab Patient Monitoring System	\$ 57,438.64
	Dental Clinic	Dental Clinic	\$ 1,200,000.00
		Dental Clinic Grant	\$ (1,200,000.00)
	Dietary	Outdoor Walk In Cooler and Shelving Unit	\$ 10,000.00
		Upgrade POS System	\$ 16,350.00
	Echocardiography	ECHO PACS Interpretation System	\$ 89,000.00
	Employee Health	Respiratory Quantitative N95 Fit Testing Machine	\$ 9,270.00
	EVS	Copier	\$ 7,737.91
	Facilities	Medical Gas Oxygen	\$ 100,000.00
		Remax Space Project	\$ 7,500.00
		Replace/Add Security Cameras and Servers	\$ 97,952.05
		Steam Generators and Boilers	\$ 465,266.50
	Home Health	HHH - Epic module	\$ 78,000.00
	Infusion Clinic	Copier	\$ 7,737.91
	IT	Infor – Improve/Upgrade/Replace	\$ 325,000.00
		Network Firewall	\$ 14,000.00
		Replacement of Clinic Fiber Optic Loop	\$ 200,000.00

CAPITAL BUDGET: Prioritize into 2019

Finance Category	Department	Project Name	Grand Total
	Lab	Beckman Coulter Iricell Urine Analyzer	\$ 104,274.85
		Cepheid-Genexpert 4 Module	\$ 80,420.24
		Microscopes	\$ 15,000.00
		Osmometer	\$ 12,868.37
	Nursing Admin	Upper Floor Refresh	\$ 500,000.00
	Orthopedic Clinic	Copier	\$ 7,737.91
	Rehab	Copier	\$ 7,737.91
		Senaptec Sensory System	\$ 30,193.00
	Respiratory/RT	ABG Machine	\$ 23,550.54
		Transport Ventilator	\$ 15,500.00
	Surgery	Dual Channel Rigid Ureteroscope	\$ 9,473.14
		Flexible Cystoscope	\$ 8,319.00
Project-Capital	Diagnostic Imaging	Remodel Radiologist's Reading Room in ESSB	\$ 5,000.00
	Dietary	Coffee Kiosk	\$ 10,000.00
	JHSA	Automatic Door Opener	\$ 6,500.00
		Double Sink w/Counter Area	\$ 8,175.00
	Lab	Outpatient Lab Automatic Door Opener	\$ 6,500.00
	Pharmacy	Retail Pharmacy-Phase 2	\$ 74,950.00
	Rehab	Reception Desk Remodel	\$ 12,000.00
		Repurpose Shower Room	\$ 5,500.00
	Surgery	Blanket and Fluid Warmer Cabinet	\$ 9,932.63
Grand Total			\$ 2,455,887.41

CAPITAL BUDGET: Contingent purchases for 2019

Finance Category	Department	Project Name	Grand Total
Capital - Contingent	EVS	Advance Auto Scrubber	\$ 8,147.75
	Facilities	Upgrade Building Automation System	\$ 75,000.00
	IT	Avaya Phone System Upgrade	\$192,000.00
		Network Disk Storage	\$ 25,500.00
		Printer Management System	\$ 28,612.50
	Surgery	Olympus Thunderbeat	\$ 16,348.91
	Wound Clinic	Procedure Chair	\$ 15,805.00
Grand Total			\$ 361,414.16

CAPITAL BUDGET: Planning ahead for 2020-2024

Budget placeholders set, but detail review completed annually Pricing and needs can change significantly, but the roadmap is essential

Finance Category	Department	Project Name	2020	2021	2022	2023	2024
Capital	Biomed	RTLS Asset Tracking	\$ 66,000.00				
	CI	Imprivata-Phase 1 - Single Sign on	\$ 234,300.00				
	CT	CT Scanner	\$ 1,200,000.00				
		CT Scanner Perfusion Software	\$ 52,159.30				
	Diagnostic Imaging	Replace X-Ray Room #1 R&F Equipment		\$ 544,000.00			
	Employee Health	Employee Health Electronic Medical Record	\$ 14,067.00				
	EVS	Advance Walk Behind Floor Scrubber	\$ 7,000.00				
	Facilities	Upgrade Building Automation System	\$ 95,000.00	\$ 115,000.00	\$ 80,000.00	\$ 70,000.00	\$ 90,000.00
	FBC	Guardian Infant Protection System	\$ 47,391.59				
		Labor Bed w/Overlay	\$ 22,375.06	\$ 20,527.58		\$ 20,527.58	
	IT	2018 Network Config and Management - Netbrain	\$ 15,500.00				
		Archive Allscripts EHR			\$ 150,000.00		
		Cisco 4500x Spare	\$ 18,000.00				
		CyberSOC (ArcticWolf)		\$ 100,000.00			
		Dark Trace	\$ 100,000.00				
		Fiber to IDFs	\$ 75,000.00				
		Imprivata - phase 2	\$ 100,000.00				
		Infor Document Management (Scanning)		\$ 300,000.00			
		Infotainment		\$ 200,000.00			
		Meditech Archive		\$ 15,000.00			
		Mobile Device Management (MDM)	\$ 50,000.00				
		Network – Medical Device Segregation	\$ 150,000.00				
		Network Diagramming and Configuration Management	\$ 15,500.00				
		RedSeal (Cyber Security)		\$ 100,000.00			
		Self Service Password reset		\$ 50,000.00			
		VM SAN			\$ 150,000.00		
		VM Server replacement @ 5 years				\$ 125,000.00	
		Vocera – 2.0 Nurse Call Intergration	\$ 200,000.00				
		Vocera – 2.0 Medical Device integration		\$ 100,000.00			
		Vocera – 2.0 User Adds	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		

CAPITAL BUDGET: Planning ahead for 2020-2024

Finance Category	Department	Project Name	2020	2021	2022	2023	2024
	Lab	Blood Bank Software	\$ 400,000.00				
		CO2 Incubator	\$ 9,000.00				
		Midividas	\$ 23,000.00				
		New Centrifuges			\$ 9,000.00		
		New Chemistry Instrumentation	\$ 1,000,000.00				
		New Coagulation Instrumentation					\$ 174,000.00
		New Hematology Instrumentation			\$ 98,000.00		
		New PCR Equipment			\$ 10,000.00		
		Replace Bacti-Alert		\$ 108,000.00			
		Replace BB Plasma Helmer -30 Freezer		\$ 10,800.00			
		Replace BB Plasma Quick Thaw		\$ 7,000.00			
		Replace Drug Screen Instrument	\$ 12,000.00				
	Mammography	Affirm Breast Biopsy Guidance System	\$ 202,236.00				
	Respiratory/RT	Comprehensive ECG System			\$ 220,639.00		
	Sterile Processing	Autoclave	\$ 251,155.00				
	Surgery	Dermatome and Mesher Complete Set	\$ 31,351.91				
		Hysteroscopy Fluid Management System	\$ 11,060.23				
		Philips MX 500 Monitors x7				\$ 171,760.57	
		Vacuum Curettage System			\$ 7,918.34		
Project-Capital	Nursing Admin	Upper Floor Refresh	\$ 500,000.00				
Grand Total			\$ 3,552,096.09	\$ 2,120,327.58	\$ 775,557.34	\$ 1,387,288.15	\$ 264,000.00

