



723 Memorial Street
Prosser, WA 99350
(509)786-2222

Director's Report to The Board of Commissioners
May 27, 2010

CEO

Julie Petersen, CPA

786-6695

We were kept very busy with National Hospital and Nursing Home week activities including the annual LTC pie throwing contest.

At our monthly YVFWC Leadership meeting we discussed the appropriateness of the "sports physical" system that both the Farm Workers and the Hospital have supported in the past. There is a growing sentiment among providers that the annual sports physical required by the schools for high school athletes is doing a disservice to the students. Despite the disclaimers, parents are treating the very brief sports physical as their child's annual exam. We have committed to working with YVFWC to transition to a more traditional clinic visit. We will coordinate very carefully with the schools as we move into the 2011 school year.

We have begun the process of evaluating the emergency department back-up call schedule. The back-up ED providers are primary care doctors responsible for admitting pediatric patients and assisting with unanticipated surges in the ED. Management and the perinatal committee evaluated data on pediatric transfers over the last year. It appears that some of the back-up ED providers are uncomfortable admitting and managing pediatric patients. Children that we feel should have been cared for in our community, close to their homes were transferred out to distant facilities. We will be working with the YVFWC to redesign the back-up ED call responsibilities to narrow pediatric call to providers clearly comfortable with those patients. Surge back up for the ED will be handled separately. We have targeted August 1 as a transition date.

An upgrade to Digital Mammography was budgeted for mid 2010 and we are prepared to proceed. Our intent is to lease the equipment replacing the lease on our current Hologic analog machine. This is not a capital purchase. Digital mammo provides clearer images and, as a result, is credited with allowing the doctor to detect breast cancer earlier. The digital images will go direct to the PACS.

Invitations have gone out for the first Provider Relations / Employed Provider meeting. The meeting is scheduled for June 7th.

Patient Care Services

Leann Anderson

786-6604

ED

The remodel is beautiful and receiving kudos from patients and staff. Our cardiac central monitoring system is to be in place the first part of June, this will allow nursing to monitor patients at the nursing station as well as at the bedside.



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Dr. Butvilas has assumed the role of Medical Director for the Emergency Department effective May 1. Several initiatives have already been identified and are in progress for streamlining and standardizing care delivery. I would like to thank Dr. Johnson for his tenure as our Medical Director and his hard work. He has put in significant hours to maintain a staffed ED in times of provider shortage.

New Service Offered

We have recently partnered with Advanced Services to provide PICC line [peripherally inserted central catheter] services for our patients and community up and down the valley. In years past, patients would need to go out of the community to have these lines placed. PICC lines are an intravenous catheter placed by an RN under Ultrasound and are done at the bedside [inpatient or outpatient]. Use for PICC lines include: long-term antibiotics; TPN; blood and blood products; chemotherapy just to name a few. Because they are a central line, the delivery of medication is less irritating to the patient, and they can stay in for long periods of time. Having the ability to place these lines will also allow for patients to have their medication delivery done locally instead of multiple trips outside the community. The PICC line nurse is available 24/7.

Quality/Risk/ Patient Safety/ IC Susan Flory, RN 786-6619

ED Quality Program

The ED Quality Program recommendations from RHQN have been implemented. We have had two provider group meetings. The providers are engaged and we are encouraged with the progress being made. The first collaborative group meeting, which members include both physicians and nursing is scheduled in June.

Patient Safety

We are working with IT and nursing staff to improve documentation in the EMR on patient safety issues including:

- Fall risk assessments and interventions to prevent falls
- Skin risk assessments and interventions to prevent pressure ulcers
- Pain Management

Medical Staff Credentialing

Medical Services, IT, and PFS are diligently working through the process of complying with Senate Bill 5346 the newly enacted Washington State law creating a universal provider data source for credentialing purposes. The objective is for providers to fill out one application that can be used at multiple hospitals and insurance plans.

Infection Control Position

I am very pleased and excited to report that Sara Barron RN, MS has accepted the Infection Control position. She has an extensive clinical and/or management background including ICU, Medical -Surgical, Pediatrics, Acute Inpatient, Rehabilitation, Patient Care Coordinator, Infection Control, Ortho/ Neuro Units, and Wound and Ostomy clinics. She has held positions as clinical educator, community health educator and nursing instructor. Her resume included successes in regulatory surveys, employee



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development and change management. She will be an outstanding addition to our organization.

Financial & Statistical

Tim Cooper

786-6605

Prosser Memorial Hospital continues to be busy. In April we experienced 343 inpatient days versus a budget of 242. The 87 surgeries we handled fell short of our goal of 95 for the month but net revenue was *over* budget by \$99,066. This activity generated a net income of \$86,388.

For the second month the new building for Physical Therapy and Rehabilitation appears to be attracting increased volumes. Therapy visits of 1097 for the month were 37% over a budget of 801. Year-to-date therapy volumes are 48% over budget.

Year to date April 2009 combined therapy visits totaled 3,404. April 2010 that number has increased to 4,631; an increase of 1,227 visits or 36%. Outpatient visits (in the new clinic) are up 38% and contributed 837 of the new visits.

KEY FINANCIAL INDICATORS						
APRIL 2010						
			2009	2010	2010	Act to Bud
			Month	Actual	Budget	Over/Under
NET REVENUE			\$2,349,038	\$2,612,210	\$2,513,144	\$99,066
TOTAL OPERATING EXPENSES			\$2,432,945	\$2,574,216	\$2,544,295	\$29,921
NET INCOME			\$3,255	\$86,388	\$24,760	\$61,628
PATIENT DAYS			186	343	242	101
BIRTHS			28	36	33	3
NUMBER OF SURGERIES			80	87	95	-8
EMERGENCY ROOM VISITS			849	769	1028	-259
BCC VISITS			444	584	534	50
MASA VISITS			532	682	673	9
FTEs			236	234	240	-6

Average daily revenue for the month was \$154,286 versus \$145,528 last month. *The month of April was our highest revenue month this year.* Accounts receivable days outstanding were at 77 days. Down three days from last month. Charity Care adjustments for the month were unusually low at \$23,088. Charity Care adjustments for the entire year of 2009 totaled \$386,170. Year-to-date April 2010 total Charity Care adjustments were \$342,186. Charity Care adjustments are expected to total over \$1.1 million by the end of the year.

Andrea Wix, our Patient Financial Services Manager has returned from maternity leave. In conference with Julie Petersen we will begin planning for a new methodology to collect from our private pay customers. We have sent a 60 day notice to CPSI that we will discontinue their service of providing follow-up communication with those customers who have made payment arrangements with the hospital.



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Currently we have \$2.7 million in accounts receivable private pay account balances. This is up from \$2.1 million this time last year. Our goal is to place a financial counselor in the hospital. Our customers will be able to meet with and talk to the counselor on a regular basis. Our goal is to establish reasonable payment arrangements and to monitor to ensure that customers are meeting their payment commitment. We are also considering contracting with an outside agency to assist us in the computerization of notices to the customer when a payment has been missed. We will report back at the next Board meeting on our exact implementation procedures.

We are working hard to make sure cash inflows meet our monthly cash requirements, but we understand at the same time how sensitive financial issues can be with our customers during these economic times.

In May we will begin local advertising for a night shift respiratory therapist for the Cardio Therapy department. This endeavor should provide enhanced quality of care for our inpatient customers and provide for needed support for pediatric patients. This service is expected to generate an additional \$24 thousand a month in gross revenues.

Although our wait times in the ER have been dramatically reduced volumes for this service were below budget by 23% (239 visits) in April. Volumes in the ER are down 21% year-to-date. We have implemented a number of changes in the Emergency Department in recent months. We will report to the Board in July on the half year impact of the changes in terms of volumes, level of service, charges and patient satisfaction.

Visits to MASA remain steady seeing on average 176 patients a week for the last seven weeks.

Information Technology

Dan Harter

788-6032

Lab Interface Changes

The Performance Expectation document created by CPSI is still out for signature with YVFWC. There is no additional progress to report at this time.

Picture Archive Communication System (PACS)

We continue to work on an issue with our PACS vendor to resolve a problem where the remote users are not prompted to change their password when it is set to be changed or has expired. Once this is resolved we will move forward with providing access to remote physicians. This will allow the physician to access our PACS either from their office, or any location that has Internet access.

Person Profile

Progress continues to be made with the cleanup of our patient demographic information to allow us to convert to a person profile. As mentioned previously, it is an extensive project and will take quite some time to complete.

Future Projects

There are several projects that are forthcoming based on the 3-year capital plan:

- ChartLink – The ChartLink web portal will allow us to provide remote access to our Electronic Medical Record to referring physicians. The portal will be accessible from any computer that has Internet access.
- Single Sign On (SSO) Device / Proximity Badges – The SSO device and proximity badges will allow us to automate the logging on of computers and applications without having to remember multiple user names and passwords. It will also allow us to audit all computer usage, regardless of application, to ensure HIPAA compliance.
- Time and Attendance – The time and attendance system will utilize the same proximity badges used with the SSO device and it will allow us to electronically record our time worked. It will also ensure a consistent application of payroll rules.
- Human Resources System – The HR system will integrate payroll and HR on CPSI and will eliminate duplication of effort.
- Cardiopulmonary System – The cardiopulmonary system enhances our cardiopulmonary scheduling capability.

Community Relations/Foundation Fred Lamb

788-6030

In May we implemented our new marketing partnership with YVFWC. We will be updating our OB project to reflect Dr. Donald Lassalle's availability at Valley Vista three days each week.

Community Relations continues to meet monthly with each of our surgeons to determine areas of marketing emphasis.

Our new graphic design firm is developing marketing materials similar to the MASA appointment & referral flip-cards for our Emergency, Hospitalist's and Benton City Clinic providers.

We recently secured the exclusive rights for Surgery advertising at the Sunnyside Grand Theatre & have updated our movie theater slides and newspaper ads for our MASA doctors

During the month we celebrated both National Hospital and National Nursing Home Week. Through out the week we hosted events and meals for the staff including a breakfast, lunch, pastries and a pamper yourself boutique. Staff and management joined the Long Term Care residents for a BBQ.

Rene Groom joined us as the new Community Relations Assistant. Rene is experienced in graphic design, professional writing, advanced customer service skills, website design and management she is also very active in the Prosser community.

Most of our new interior & exterior directional signage has arrived and is in place.



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We are planning a private dedication of the Hogue Emergency Care Center on June the 2nd @ 10:30 am. Invitations have gone out to the Hogue family and their guests, Commissioners and Foundation Board Members.

Please remember to “Save the Date” for the annual Hogue Classic on June 18th, and the “A Night Out – Denim & Diamonds” benefit auction on September 11th again at The Yellow Rose Nursery.

Human Resources **Sharon Cloos /Pam Healea** **786-6680**

Staffing Updates

We have experienced some staffing changes since the April report.

- New Hires: We have six new hires, including two per diem employees.
 - Pam Healea began her duties as HR Director and is currently orienting in the department. We are pleased to have her onboard; you will have an opportunity to meet her at the Board Meeting
 - Rene Groom began her duties at PMH as the Community Relations Coordinator replacing Megan Ransom.
 - We recently made job offers for the PCC position and the Infection Control Nurse position. Both individuals will begin in June.
- Separations: Three employees separated employment, including one per diem.

Employee Events

The employees celebrated Hospital Week May 10-14 with a variety of special luncheons, a pie toss, and other fun events. The employees appreciated and enjoyed the events.

Job Fairs

PMH will participate in the upcoming Worksource & Prosser Job Fair on May 20 at the Housel Middle School campus. We have participated in this job fair for several years. It’s an important opportunity for PMH to interface with community members and encourage individuals to consider a career in healthcare.

Support Services **Steve Broussard** **786-6659**

ED/PR Addition and Renovation Project

Contractors are performing corrective work at this time in an effort to achieve final completion of construction activities. Target date for completion is May 24, 2010. Project closeout activities are also underway at this time and include Maintenance Department staff training on mechanical and electrical systems, compilation and approval of O&M manuals, as-built drawings and records and gathering of necessary legal documents. Administration is currently engaged in discussion with the general contractor (GC) and project architects regarding assessment of liquidated damages and unresolved claims made by the GC for additional compensation.

Espresso Service Project

Construction activities continue behind the barrier walls in the hospital main lobby. Installation of casework is scheduled for the week of May 24, 2010 with painting and



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flooring to follow. The Department of Health is requiring additional electrical work in the form of fire detection and notification equipment and installation of a key operated switch system capable of securing all power to the area during non-operational hours. These requirements will add cost to the project, but are not expected to substantially delay progress towards completion.

OB Department Renovation Project

Work on the final phase (Nurse Station & LDR Room 8) of this project is nearly complete. Construction activities are expected to be substantially complete on May 24, 2010. Contractors have been completing corrective work during each of the five phases of this project, so final completion will follow soon after substantial completion. PMH anticipates delivery of new patient room furnishings in the near future to complete the new look of the Obstetrics Department.