



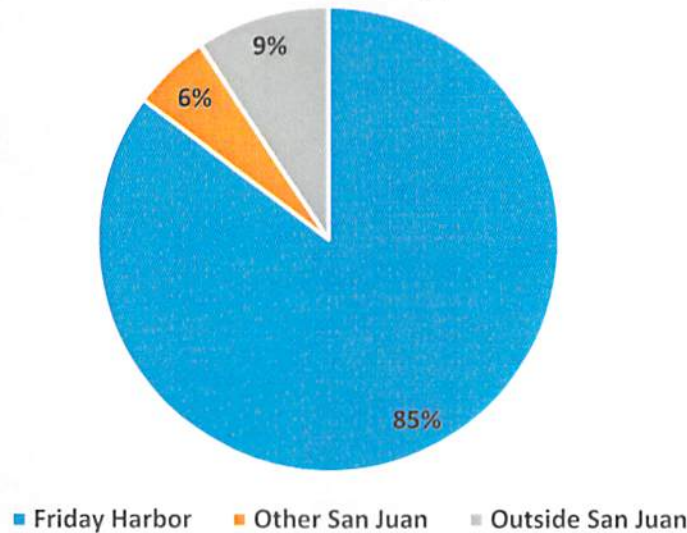
PeaceHealth- Peace Island Medical Center – 8/24/16
Semi-Annual Report to San Juan County Public Hospital District #1 Board of Commissioners
for 1/1/16 to 6/30/16.

Number of Patients Served

	2014		2015		2016
	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun
a. Clinic Visits:	4,281	4,340	5,387	5,993	6,223
b. ER Visits:	1,227	1,778	1,492	1,769	1,584
c. Inpatients and observation patients:	61	95	91	82	121
d. Imaging exams (all modalities):	2,401	2,975	2,960	4,140	4,038
i. Radiology (X-ray, CT, DEXA, EKG, Echo, Vascular studies)					
1) Inpatients:	90	70	102	82	78
2) Outpatient:	2,021	2,576	2,463	3,070	2,846
ii. Ultrasound					
1) Inpatients:	1	2	3	5	1
2) Outpatient:	212	247	314	322	476
iii. MRI:	77	80	78	75	85
iiii. Mammography				586	552
e. Laboratory tests:	12,369	14,292	14,833	16,148	17,666
f. Surgeries/outpatient procedures:	202	138	160	164	157
g. Cancer Care and Specialty Center:	470	598	582	551	587
h. Urgent Walk In Care	13	148	64	51	44

The number of patients served at PIMC continues to grow. As shown in this chart of patients by zip code 98250, 85% of the patients served at PIMC are district residents. Six percent of the patients are from other zip codes in San Juan County and 9% are from outside of San Juan County.

January - June 2016 Patient Origin



1. Health care services provided

- Emergency care is provided to District residents and visitors 24/7, 365 days a year in the PIMC Emergency Department (ED).
- Urgent walk-in care (aka low acuity emergency care triaged by staff) was provided on Saturdays in the ED from 10am to 4pm. Starting May 1, 2016 with the implementation of the CareConnect electronic record, low acuity walk-in care in the ED is now triaged at any time of day or night. Same day urgent care is available in the primary care clinic by appointment during regular business hours and patients are informed of the availability of available clinic appointments if they present to the ED with low acuity complaints. The number of emergency care visits triaged as low acuity over the past six months was 44.
- PIMC is designated a level IV trauma center demonstrating the capability to provide advanced trauma life support to patients in need prior to transferring them to a higher level trauma center, where they will arrive evaluated, stabilized, and diagnosed by our caregivers. In addition to providing these services, a level IV trauma center must have a trauma nurse and physician on site upon patient arrival and 24-hour laboratory coverage.
- PIMC provides comprehensive emergency care with discharge and outpatient follow up, as well as island-appropriate admissions to our inpatient unit. Both allow patients to stay in their community for hospital stays. These inpatient admissions are supported by 24/7 hospitalist care.
- Behavioral health and/or assault crisis care is available in collaboration with community law enforcement. PIMC ED staff provides safe, compassionate, quality care to evaluate, hold and transfer these patients when it is necessary to send them out of the community for extended care.

- There are now three adult SANE (Sexual Assault Nurse Examiner) registered nurses on staff at PIMC. These RNs will work in collaboration with the community in the creation of a Sexual Assault Response Team.

a. Primary Care with PeaceHealth Medical Group:

- Family Medicine and Internal Medicine clinic appointments are scheduled Monday through Friday from 8:30am to 5:00pm. Each PIMC primary care provider provides same day access appointment slots for urgent care on a daily basis. This allows for daily accommodation of 12 to 24 patients for same day urgent care Monday through Friday during clinic business hours.
- Available services include comprehensive Family Medicine and Internal Medicine clinic services, Coumadin monitoring, diabetic education, integrated behavioral health case management and telemedicine consults.
- PIMC primary care providers work in collaboration with the San Juan County Health Department providing CDC reporting, Women’s Infants and Child Care programs, newborn care and in the promotion of increasing immunization rates by encouraging “Community Immunity.”
- Our primary care providers also work in collaboration with Life Care of the San Juan Islands providing weekly direct patient care to Life Care residents while they are staying in the skilled nursing facility (SNF).
- Patients may also take advantage of My PeaceHealth—PeaceHealth’s online patient medical record access program. Our clinic providers make it easy to connect with their patients using My PeaceHealth email messaging, appointment scheduling and printing of lab results and correspondence after each appointment. In person My PeaceHealth assistance is available.

b. Tele-Psychiatry and Behavioral Health Services in Primary Care:

- **Tele-Psychiatry—**
This innovative approach to behavioral care is provided weekly at PIMC and available to anyone ages 13 and up through referral from a primary care medical provider. Tele-psychiatry appointments are offered through the University of Washington and PeaceHealth psychiatric physicians. Services include a standard psychiatric clinical interview, assessment and medication consultation for the primary care provider. The consulting psychiatrist may make medication recommendations for consideration by the prescribing primary healthcare provider.
- **Behavioral Health services in Primary Care—**
This new service provides patients seen in the PeaceHealth Medical Group Primary Care Clinic the opportunity to receive integrated behavioral health services in coordination and alignment with their primary care medical services. This service provides rapid

access to behavioral screening, primary care consultation, brief intervention and rapid referrals for follow-up care. Patients are seen through referral from PIMC, community-based primary care and behavioral health providers, Veterans Administration, San Juan County human service agencies and patients themselves.

- **Behavioral Health follow-up care—**
The best outcomes for patients after receiving psychiatric and/or behavioral health services include the essential component of follow-up care. Follow-up care may be conducted by telephone or at PIMC by appointment. Follow-up provides continuity of care, guidance and support essential to better health outcomes.

Follow-up care may take many forms, from a return visit with a psychiatrist or brief consultation with a local behavioral health provider, case manager or advocate to a referral for a more structured program of behavioral services such as individual personal counseling, behavioral assessments, family therapy, tele-behavioral counseling, or brief group educational, therapeutic or personal development programs.

Follow-up services are a standard practice for patients seen in tele-psychiatry and frequently with patients recommended for behavioral services when seen in primary care. Behavioral health follow-up services support the goals of total patient care and treatment coordinated through a patient's primary health care provider.

- c. **Visiting specialty medical care** continues at PIMC for patient convenience and care continuity. A visiting specialist calendar is offered monthly by both private, community-based practitioners and PeaceHealth Medical Group employed providers:

The monthly visiting specialists include:

- **OB/GYN – Robert Prins, MD, and Nadine Burrington Foist, MD, of Fidalgo Medicine in Anacortes; and Melinda Milligan, Certified Nurse Midwife from Orcas Island, continue to provide routine prenatal care services to San Juan County patients three times each month at PIMC. These OB/GYN providers are in private practice and offer labor and delivery services at Island Hospital in Anacortes.**
- **Visiting cardiologists from PeaceHealth Medical Group are in the clinic two days a month, on the first and fourth Friday, and will expand their care by offering a tele-cardiology follow-up program for post-surgical patients.**
- **Oncology is provided by PeaceHealth Medical Group director of oncology, Jennie Crews, MD, every Monday. Follow up appointments with Dr. Crews and follow-up cancer survivorship services are provided by PeaceHealth via tele-health equipment.**
- **David Olson, MD, is a private practitioner from Bellingham in his 8th year of providing monthly, on-island ear nose and throat (ENT) care.**

- Telepsychiatry is offered by Mark Newman, MD, of UW Medicine Psychiatry Department he offers consultations on Tuesdays via referrals from the patient's primary care provider.
 - Pediatric consultation is offered monthly by PeaceHealth Medical Group physician, Steven Ban, MD.
- d. **Outpatient surgical services** continue to be scheduled at PIMC. Endoscopy, colonoscopy, orthopedic and other outpatient general surgery procedures are scheduled monthly. PIMC has invested in state-of-the-art equipment to advance outpatient surgical services.
- Orthopedic surgical consults and outpatient procedures are provided by PeaceHealth Medical Group physician, Jeffery Krusniak, DO.
 - Gastroenterology consults and GI outpatient procedures are offered monthly by Friedrich Loura, MD, a private practice provider, and PeaceHealth Medical Group visiting specialist, Dana Stiner, MD.
 - A range of outpatient general surgical procedures are offered at PIMC by private practice general surgeon, Michael Pietro, MD, of Bellingham. Dr. Pietro has provided outpatient surgeries such as laparoscopic cholecystectomy (gall bladder removal) and open hernia repair, vasectomy, hemorrhoid repair, port placement and complicated lesion removal.
- e. **Telemedicine specialty consultations:** Thanks to a HRSA federal grant, PIMC has interactive video conferencing equipment that is used to provide specialty consultations and individualized treatment plans for hospitalist care, psychiatry and oncology in collaboration with community providers in San Juan County. Specialty tele-consult services in cardiology, social services, and crisis behavioral health care are available to PeaceHealth Peace Island physicians for patients in the emergency department, inpatient and primary care clinic. The NW Washington, SE Alaska Telehealth Network grant also provided San Juan Island EMS, law enforcement and fire department over \$50,000 in grant funds to purchase Polycom equipment for placement on Orcas and Shaw islands to facilitate ongoing emergency response training and staff development programs.
- f. **Diagnostic imaging services** volumes continue to grow.
- State-of-the-art imaging equipment includes a 64-slice Computed Tomography (CT) with the upgrade to the NEMA XR-29 standard known as 'MITA Smart Dose' in September 2015. The XR-29 standard upgrade includes features of the CT that enable management of radiation dose delivery while also providing high quality medical images. This upgrade means that PIMC offers our community the safest and lowest radiation dose possible.
 - Digital diagnostic radiography, mobile fluoroscopy for trauma and surgery, is available 24/7. General ultrasound with limited vascular and endocardiography is provided four days per week. Mobile full body and neuro MRI service is offered twice a month.
 - Bone densitometry, providing advanced body composition and atypical fracture assessment, is available daily as needed.

- EKG/treadmill is provided daily as needed.
 - Digital mammography is available every Tuesday.
- g. Diagnostic medical lab service** offers a test menu of 73 tests available STAT and performed on site. The laboratory has experienced an average 16% growth in testing in the first half of 2016 compared to last. Additionally, laboratory call-in hours went up from 142 to 240 hours in the same period: record numbers for our off season! With staff collaboration we made a subsequent adjustment to our lab schedule and are now able to provide three additional hours of scheduled weekend coverage. The highlight as well as the focus of the last six months for the lab was the implementation of CareConnect, PeaceHealth’s new electronic medical record. The lab is at the core of PIMC and interfaces with every single department. CareConnect vastly improves our communication by decreasing the systems we had to routinely access from three to one.
- h. Pharmacy services** are supported by a full-time pharmacist and full-time pharmacy technician who are local residents invested in our island community. In addition we have a per diem pharmacist and a per diem technician to provide relief. The PIMC pharmacy collaborates with the San Juan County Health Department to support the needs of the community by making sure needed medications (such as rabies vaccines and post exposure prophylaxis medication) are available to all residents of San Juan County. In addition, PIMC’s pharmacy is a listed resource in the Washington State Department of Health Emergency Biologics 2016. This notifies local institutions and physicians that we are willing to share emergent medications such as rabies immunoglobulin, tetanus immunoglobulin, IV immunoglobulin, and IM immunoglobulin. To provide continuity of care, in April 2016 we implemented a process that allows the drug infusion pump updates to be synchronized with Island Air, one of our transport carriers. PIMC pharmacy has increased its biologic chemotherapy medication formulary to accommodate physician orders for cancer patients in our cancer care and specialty centers. PIMC pharmacy continues to send patients home with chemotherapy medication pumps and coordinates care for patients so that they may receive necessary treatment close to home. PIMC pharmacy participates in professional meetings of the hospital consulting with nursing and physicians in the clinic, ED, surgical services, and inpatient departments to improve patient care. This past May all pharmacy staff were trained in CareConnect, which has improved medication scanning in the Emergency Department and also allows visualization of lab values such as potassium and magnesium to be seen easily.

2. Number and Type of Clinical Providers

- a. Primary Care practitioners in clinic** – There are five members of the PeaceHealth Medical Group team of primary care providers working at PIMC: Rachel Bishop, MD, board-certified Family Practice physician and Family Practice Medical Director; Susan Mahoney, MD, board-certified Family Medicine, and Chief of Staff; Cheryl Kubisty, MD, board-certified Internal Medicine, and Hospitalist Medical Director; and William Gunderson, MD, board-certified Internal Medicine physician, Hospitalist and integrated behavioral health internship preceptor. Mallory Brown, ARNP, Family

Practice, joined the clinic staff full-time and is scheduled in the clinic full time, five days a week. PIMC's Family Practice clinical providers offer same day and routine pediatric patient care five days a week.

- b. **Emergency Department practitioners:** All eight physicians who treat patients in PIMC's Emergency Department are board certified in Emergency Medicine. Emergency Medicine physicians include: Michael Sullivan, MD, a permanent resident of San Juan Island, is Medical Director of PIMC Emergency Medicine and a member of the PIMC Community Health Board; Jason Heiner, MD, UW Medicine Residency Director and Medical Program Director for San Juan Island EMS ground ambulance service; Sean Stone, MD, serves as the Medical Director for San Juan Island air ambulance services; Kevin Bowman, MD, Warren Appleton, MD, Mark Zarzycki, MD, Wade Henrichs, MD, and Jena Lopez, MD, travel from off-island to San Juan Island to help staff PIMC's Emergency Department.

Dr. Jim Perez, MD, joined the Emergency Medicine team in July 2016, filling the remaining full-time position. Dr. Perez is a resident of San Juan Island.

PIMC has expanded the ED medicine residency rotation this year by adding an additional month to the summer program. There will be six residents moving through this UW Medicine program beginning in June 2016. This a unique opportunity for the UW Medicine residents to experience rural emergency medicine.

c. **Cancer care and specialty services:**

- Our Medical Oncology and Hematology Clinic and Infusion Center continue to be led by board-certified Medical Oncologist, Jennie Crews, MD.
- May 1st, Shannon Harris, RN, an experienced oncology nurse, was hired as the new program coordinator of the cancer center. Dawn Alger previously held that role and has stepped back to work on a per diem basis in the clinic.
- Physician appointments were up over this same period last year including tele-oncology and tele-survivorship care follow-up appointments.
- The center completed another support group series from in the spring called "Our Common Bond."
- With the support of the PeaceHealth Peace Island volunteers, the center continues to provide chemo care kits to all our new chemotherapy patients. These special kits are filled with comfort items and are received with delight by our patients.
- Complimentary therapy services to our oncology and infusion patients continue.

d. Clinical education

Larry Wall, RN has taken the lead through grant funds provided by the DOH for Small Hospital Improvement in developing a clinical simulation lab for emergency scenario-based learning utilizing the Team STEPPS model.

3. Nature and Results of Quality Initiatives

Patient safety remains the focus at PeaceHealth Peace Island. The Quality Management System Plan describes the quality management system established by PIMC to achieve its quality and safety objectives and goals. The plan describes the methodologies and practices by which quality and performance are measured, monitored, analyzed and continually improved to advance health outcomes and reduce risks for patients.

A summary of quality activity occurring at PIMC and reported to the Joint Quality and Patient Experience Committee includes:

- Risk management review – Managing the grievance process and responses within the appropriate time frames. There were no serious safety events noted this over this reporting period.
- Quality dashboard – The committee hears updates on the key metrics that are continuously monitored:
 - Pain assessments
 - Medication reconciliation
 - Bar code medication administration (BCMA)
 - Readmissions
 - Patient experience data
 - ED patient flow – door-to-doctor time
 - Infection prevention and hand hygiene
- Regulatory updates- PIMC underwent the DNV accreditation survey in April 2016. The quality management system and infection prevention programs were thoroughly and meticulously reviewed by the surveyors. PIMC was deemed to be compliant with the CMS conditions of participation and received CMS reaccreditation.

CareConnect vision – CareConnect is a powerful tool that is vital to support best practices for caregivers, deliver a connected experience for patients, and offer safer, more reliable care. **One patient, one record.** PIMC went live hospital wide with CareConnect on May 1st, 2016 following many months of planning, training and education. It offers a system wide operating model, the goals of which are to provide the best, safest, and most reliable care possible for our patients and the best work environment possible for PeaceHealth caregivers.

Timeline for PeaceHealth Community Health Needs Assessment (CHNA): This assessment was completed in December 2014 and approved by the PIMC Community Health Board in January 2015. The current situation and plan includes a refresh and align of the CHNA for 2016:

- PIMC completed work on its CHNA in 2015.
- The plan is to affirm/update current CHNA priorities.
- Align structure with PeaceHealth CHNA approach.
- Strengthen implementation plan.
- Work with the SJC Health Department for robust assessment in 2018/19.

Starting in July, a Community Needs Assessment and Collaboration Committee will be created to be responsible for identifying and recommending support for activities that fulfill the Community Health Board's vision to improve the community's health. The Community Collaboration Committee (CCC) will review PIMC's resource commitments to community health improvement efforts to ensure that they support the strategic plan and priorities, and have a meaningful impact on improving community health. Membership on the CCC includes PIMC Health Board, SJC Public Hospital District #1, SJC Board of Health and public health leaders supported by PeaceHealth's Community Affairs Director.

A Power Point presentation prepared for the June 3rd, 2016 Community Health Improvement Consortium to describe the 2016 CHNA for PIMC is included:



Community Stakeholder Meeting

4. Patient Experience Indicators

Melissa Morrison, Patient Experience Manager for PeaceHealth, works with PIMC leadership and provides coaching for providers to improve patient experience. Patient satisfaction continues to improve in 2016 with Peace Island Medical Center Emergency Department leading the nation in the 99th percentile. Other patient experience work includes hourly purposeful registered nurse care rounds and nurse leader rounding on inpatient and in the Emergency Department. In 2016 PeaceHealth as a system switched survey vendors from NRC Picker to Press Ganey. A summary PowerPoint of the PIMC patient experience indicators from January 1, 2016 to June 30, 2016 is included:



160810 PIMC Semiannual PE Summary

5. **Financial viability of the operation:** Per the First Amendment to the Subsidy Agreement, dated Sept. 15, 2010, attached is the semi-annual financial report ending December 2015.

**PIMC Tax Levy Analysis
For the 6 month Period Ending June 2016**

January 2016 to June 2016 Revenue Accrued (Monies not yet received)			532,752
	Emergency	Family Practice	Total
Gross Revenue	1,812,433	33,680	1,846,113
Professional Revenue	152,258	1,117,772	1,270,030
Total Gross Patient Revenue	1,964,690	1,151,453	3,116,143
Medicare	54,546	38,241	92,787
Medicaid	409,232	131,857	541,089
Commercial and Other Payers	158,116	104,003	262,119
Bad Debt	45,856	29,902	75,758
Charity	13,257	5,298	18,555
Total Deductions	681,006	309,302	990,308
Net Patient Revenues	1,283,684	842,151	2,125,835
Other Income	-	2,000	2,000
Total Operating Revenues	1,283,684	844,151	2,127,835
Expenses			
Salaries	1,517,417	714,953	2,232,370
Benefits	306,104	151,959	458,063
Supplies	37,090	15,084	52,174
Professional Fees	36,800	910	37,710
Purchased Services	17,690	367	18,057
System Fee	192,009	161,416	353,425
Rental/Lease	-	82,863	82,863
Other Expenses	43,597	12,737	56,334
Total Direct Expenses	2,150,708	1,140,290	3,290,998
Operating EBITDA Margin	(867,023)	(296,139)	(1,163,163)
Depreciation	21,377	6,451	27,827
Net Operating Income Gain/(Loss)	(888,400)	(302,590)	(1,190,990)
Sub-Total gain/(loss) After Subsidy and Operations			(658,238)
Other Items:			
PIMC Other Medicare			(612,839)
PIMC Other Medicaid			(952,190)
PIMC Other Bad Debt and Charity			(231,366)
Total amount of Gain/(Loss) after Subsidy			(2,454,634)

Conclusions of the six-month report:

On health care services covered by the subsidy (charitable services, Emergency Department and physician services) the estimated six-month Net Operating Income (NOI) loss, without the subsidy, is (\$2,987,385). With an estimated tax subsidy of \$532,752, the NOI loss is reduced to \$2,454,634.

Total PeaceHealth services provided for the same period, resulted in a NOI margin deficit of (\$415,796) or, -4.9% with the subsidy, and, a NOI loss of (\$948,548), or, -11.2% without the subsidy.

“1.1.23 Use of District Payments: PeaceHealth shall utilize all payments from the District exclusively for the provision of the following healthcare services within the District: charitable health care services, Emergency Department services and the provision of physician services. “Charitable health care services” shall mean those services described in paragraph 1.1.20, above, including charity care, bad debt and the difference between allowed Medicare and Medicaid rates and the charges for all services rendered to patients covered by Medicare and Medicaid. “Emergency Department services” shall mean those services described in paragraph 1.1.18(2), above, as attributed to the emergency department on the general ledger for PeaceHealth Peace Island. “Physician services” shall mean those primary care physician services described in paragraph 1.1.18 (1), above, as attributed to physician services in the general ledger for Peace Island Hospital and for the PeaceHealth Medical Group- San Juan Island.”