

PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON
VERDANT HEALTH COMMISSION

BOARD OF COMMISSIONERS

Regular Meeting
VHC Board Room
June 25, 2014

Commissioners Present	Bob Knowles, President Deana Knutsen, Commissioner J. Bruce Williams, M.D., Commissioner Fred Langer, Commissioner Karianna Wilson, Commissioner
Others Present	George Kosovich, Program Director Lisa King, Finance Director Jennifer Piplic, Marketing Director Sue Waldin, Community Wellness Program Manager Karen Goto, Executive Assistant Members of the community
Staff Excused	Carl Zapora, Superintendent
Call to Order	The Regular Meeting of the Board of Commissioners of Public Hospital District No. 2, Snohomish County, was called to order at 8:00 a.m. by President Knowles.
Approval of Minutes	<i>Motion was made, seconded and passed unanimously to approve the minutes of the regular meeting on May 28, 2014.</i> <i>Motion was made, seconded and passed unanimously to approve the minutes of the special board meeting on June 6, 2014.</i> <i>Motion was made, seconded and passed unanimously to approve the minutes of the special board meeting on June 18, 2014.</i>
Executive Committee	President Knowles reported that the Executive Committee met on June 18, 2014 to review and approve the June 25, 2014 board meeting agenda. No action was taken. President Knowles announced that there will be no Executive Session in this board meeting as there are no items for discussion.

Board Finance
Committee

The committee met on June 18, 2014. Ms. King reviewed the financial statements and cash activity for May 2014 (E:31:14).

Authorization for
Payment of
Vouchers &
Payroll

Warrant Numbers 10678 through 10713 for May 2014 for payment in the amount of \$169,643.95 were presented for approval (E:32:14). *Motion was made, seconded and passed unanimously to approve.*

Program
Oversight
Committee
Update

The Program Oversight Committee met on June 9, 2014 to review four new program funding applications, follow-up on the Puget Sound Kidney Center request, and review a request from the Swedish/Edmonds Foundation (E:33:14 & E:34:14).

One conflict of interest was reported by Commissioner Langer on the brain injury support group proposal. He recused himself from the discussion.

New Funding Applications:

Motion was made, seconded and passed unanimously to approve \$180,000 on a one-time basis for the Medical Teams International Mobile Dental Vehicle purchase. The board would like the funding agreement to protect Verdant if MTI ever sold or disposed of the vehicle.

Motion was made, seconded and passed unanimously to approve \$33,000 for one year for WithinReach South Snohomish County Insurance Corps request to support outreach and education on the Affordable Care Act.

Motion was made, seconded and passed with Commissioner Langer abstaining to approve \$3,500 for one year for the Brain Energy Support Team's Edmonds Head Injury Support Group hosted at Swedish/Edmonds Hospital. Commissioner Williams suggested the Superintendent's Discretionary Fund could be used for this program.

Not Recommended for Funding:

The committee is not recommending funding for the Guided Pathways Support for Youth & Families family support program in the hospital district.

Follow-up on Previous Application:

Motion was made, seconded and passed unanimously to approve \$120,000 for two years for the Puget Sound Kidney Center Foundation's Chronic Kidney Disease Education and Prevention Program. This revised request is for \$70,000 in

year 1, \$50,000 in year 2 and an increase from 50 to 100 patients served per year.

Kinderling South Snohomish County Expansion: Kinderling attended the Program Committee meeting on June 9, 2014 to review the proposal in detail. The committee would like to see more of an integrated program where service providers are collaborating to best serve local families.

The commissioners discussed the request from Swedish/Edmonds Foundation (E:35:14) for \$50,000 in support of the new ambulatory care center. Commissioner Wilson identified several follow-up questions and the board discussed several naming opportunities. No action taken and the full board would like to hear directly from a Swedish/Edmonds Foundation leader on the use of the funds. Mr. Kosovich will coordinate a meeting.

Marketing Report

Ms. Piplic presented the Marketing Report (E:36:14) including an update on 6 Weeks to a Healthier You 2014 and The Canopy newsletter issue coming in late June. The reunion session for 6 Weeks will be held on October 28, 2014 at the Lynnwood Convention Center along with another round of biometric screenings. Participants from 2012, 2013 and 2014 will be invited to this session. Looking ahead to 2015, Verdant will focus on programming in the Verdant Community Wellness Center and will therefore not continue with another round of 6 Weeks to a Healthier You in Spring 2015, although it may be explored again at a future date.

Commissioner Comments

Commissioner Williams shared an article from the Seattle Times on hospital-acquired infections that are charged and reported to Medicare. Swedish/Edmonds ranked among the top six hospitals (E:37:14).

Commissioner Knutsen shared about an online program through the University of Washington as a possible program for the Verdant Community Wellness Center.

Superintendent's Report

Superintendent Zapora is attending the WSHA conference in Lake Chelan. Mr. Kosovich reported on two items:

1. Superintendent Zapora is presenting on a panel at the WSHA conference on Verdant's programs.
2. Board mini retreat is on Friday, June 27, 2014, 12 p.m. at the Lynnwood Convention Center. An in-depth look at Verdant's programs will be done.

Public
Comments


Mr. Al Rutledge commented on the increase in population in the district and its effect on urgent care clinics, where the hospital will be in five years, and why are doctors leaving the hospital.

Mr. Dick Frederick of Medical Teams International commented that he is impressed with the board members and the meeting procedure. He also thanked the board for the \$180,000 for the dental van and that 1,600 people per year will receive treatments from this van. Mr. Frederick also wanted the board to know that of the \$360,000 cost for the van, up to \$180,000 is coming from WDS, \$10,000 from the Nysether Family Foundation, and a possible \$50,000 from Cambia.

Adjourn

There being no further business to discuss, the meeting was adjourned at 8:42 a.m.

ATTEST BY:



President



Secretary

Balance Sheet

As of May 31, 2014

	A	B	C	D
	Dec 31, 2013	May 31, 2014	\$ Change	Comments:
1 ASSETS				
2 Current Assets				
3 Cash Balance	2,579,704	3,855,233	1,275,529	
4 Other Current Assets	30,029,953	30,964,219	934,266	Includes Investments
5 Total Current Assets	32,609,657	34,819,452	2,209,795	
6 Total Long-term & Fixed Assets	45,756,307	44,579,215	(1,177,092)	Depreciation
7 TOTAL ASSETS	<u>78,365,964</u>	<u>79,398,667</u>	<u>1,032,703</u>	
8 LIABILITIES & EQUITY				
9 Liabilities				
10 Current Liabilities	2,039,484	2,040,938	1,455	
11 Long-term Liabilities	5,689,038	5,663,192	(25,846)	2012 LTGO Bonds
12 Total Liabilities	7,728,521	7,704,130	(24,391)	
13 Total Equity	70,637,443	71,694,536	1,057,094	Annual Net Income
14 TOTAL LIABILITIES & EQUITY	<u>78,365,964</u>	<u>79,398,667</u>	<u>1,032,703</u>	

Profit & Loss

May 2014

	A	B	C	D	E	F
	May Actual	May Budget	Fav/(Unfav)	YTD Actual	YTD Budget	Fav/(Unfav)
1 INCOME						
2 Ordinary Income	784,817	791,149	(6,332)	3,896,883	3,929,772	(32,889)
3 EXPENSES						
4 Operating Expenses	134,313	148,660	14,347	636,458	759,641	123,183
5 Depreciation Expense	271,089	271,064	(25)	1,567,029	1,567,005	(24)
6 Program Expenses	392,362	562,500	170,138	1,920,036	2,812,500	892,464
7 Total Expenses	797,764	982,225	184,461	4,123,523	5,139,146	1,015,623
8 OTHER INCOME/(EXPENSE)						
9 Total Other Income/(Expense)	249,187	221,565	27,622	1,283,734	1,105,481	178,253
10 NET INCOME	<u>236,240</u>	<u>30,490</u>	<u>205,750</u>	<u>1,057,093</u>	<u>(103,893)</u>	<u>1,160,987</u>

Monthly Highlights

May 2014

Verdant received dividends payments of \$28,131 and an unrealized gain of \$46,592 on our investment portfolio in May for an ending market value of \$29,680,578.

Annual program commitments total \$5,180,566 and \$4,215,878 for 2014 and 2015, respectively. \$1,569,434 remains available to spend in 2014, of which \$230,500 is earmarked as Superintendent Discretionary.

Additional income of \$103,641 and expenses of \$33,835 from the Kruger Clinic were incurred, netting to an additional operating income of \$69,806 in May.

Public Hospital District #2

Warrant Number	Transaction Date	Payee	Amount	Purpose
Warrant Activity:				
10678	05/07/2014	Ash Consulting	3,508.31	Accounting Consulting
10679	05/07/2014	Berry Sign Systems	658.64	Sign for Wellness Center
10680	05/07/2014	Consolidated Landscape Maintenance, Inc.	127.75	Landscaping at VCWC
10681	05/07/2014	Falkin Associates, Inc.	4,675.00	Project Management - March
10682	05/07/2014	Institute for Fitness and Health	265.11	Joe Piscatella 6WHY
10683	05/07/2014	Jason Becker Creative	210.00	Marketing - Advertisement Design
10684	05/07/2014	Ankrom Moisan	26,120.72	Architecture Services
10685	05/07/2014	City of Lynnwood - Utilities	488.57	Water/Sewer
10686	05/07/2014	Lynnwood Convention Center	10,919.11	6WHY Conference space - Session 1,2,3
10687	05/07/2014	SMS	216.14	Parking lot cleaning at VCWC
10688	05/14/2014	Edmonds Chamber of Commerce	316.00	2014 Membership Dues
10689	05/14/2014	Falkin Associates, Inc.	6,035.00	Project Management - April
10690	05/14/2014	Healthcare Realty	4,676.05	Property Management of Kruger Clinic - April
10691	05/14/2014	Foster Pepper	2,043.10	Legal
10692	05/15/2014	SightConnection	11,000.00	Programs - Low Vision Expo
10693	05/14/2014	Lynnwood PFD	150.00	Janitorial
10694	05/15/2014	Premiera Blue Cross	3,879.73	EE Medical & Dental Insurance - June
10695	05/16/2014	Communities of Color Coalition	3,500.00	Programs - Conference on Race
10696	05/16/2014	MJ Takisaki, Inc.	76,318.73	Construction
10697	05/16/2014	Staples	442.81	Supplies
10699	05/28/2014	Ace Internet Services, Inc.	1,282.50	IT Support
10700	05/28/2014	Aukema & Associates	657.00	Website
10701	05/28/2014	Awards Service Inc	19.71	Supplies
10702	05/28/2014	Benefit Solutions Inc	28.75	FSA Administration
10703	05/28/2014	Canon Financial Services	301.13	Copy Machine Lease
10704	05/28/2014	Lynnwood Convention Center	2,930.00	6WHY Conference space - reception & Fall reunion
10705	05/28/2014	Lynnwood PFD	3,045.00	Rent
10706	05/28/2014	Principal Financial Group	884.41	EE Life Insurance
10707	05/28/2014	Refugee & Immigrant Services NW	177.80	Translation Services
10708	05/28/2014	Institute for Fitness and Health	265.11	Joe Piscatella 6WHY
10709	05/28/2014	Wells Fargo	361.53	Misc.
10710	05/29/2014	Consolidated Landscape Maintenance, Inc.	217.91	Landscaping at VCWC
10711	05/29/2014	Regence Blueshield	1,160.52	EE Medical & Dental Insurance - May
10712	05/29/2014	Snohomish County PUD	464.94	Electricity at VCWC
10713	05/29/2014	Wells Fargo	2,296.87	Misc.
Total Warrants			169,643.95	

Warrant Number	Transaction Date	Payee	Amount	Purpose
Wire/ACH Activity:				
	5/2/2014	Payroll	10,875.28	ACH payroll transfer
	5/2/2014	Paychex	68.90	Fee for payroll processing
	5/2/2014	Department of Treasury	3,999.05	Payroll taxes for 4/26/14 pay period ending
	5/2/2014	Valic	1,286.05	Payroll 401(a)/457 Deposit
	5/16/2014	Payroll	16,025.44	ACH payroll transfer
	5/16/2014	Paychex	94.87	Fee for payroll processing
	5/16/2014	Department of Treasury	6,671.30	Payroll taxes for 5/10/14 pay period ending
	5/16/2014	Valic	2,375.35	Payroll 401(a)/457 Deposit
	5/30/2014	Payroll	17,099.17	ACH payroll transfer
	5/30/2014	Paychex	71.61	Fee for payroll processing
	5/30/2014	Department of Treasury	6,751.03	Payroll taxes for 5/24/14 pay period ending
	5/30/2014	Valic	2,179.24	Payroll 401(a)/457 Deposit
	5/10/2014	Wells Fargo	573.94	Bank Service Fee
	5/10/2014	Wells Fargo	76.04	Bank Service Fee
	5/10/2014	Wells Fargo	53.49	Bank Service Fee
	5/15/2014	Bank of America - Fees	19.85	Bank Service Fee
	5/27/2014	Harland Clarke Check	221.34	Checks
	5/15/2014	Alzheimer's Association Western & Central	7,209.17	Program Payment
	5/15/2014	American Diabetes Association	4,166.67	Program Payment
	5/15/2014	Boys & Girls Club of Snohomish County	9,328.25	Program Payment
	5/15/2014	CampFire	4,166.67	Program Payment
	5/15/2014	Cascade Bicycle Club Education Foundation	4,750.00	Program Payment
	5/15/2014	Center for Human Services	13,523.67	Program Payment
	5/15/2014	ChildStrive	22,660.00	Program Payment
	5/15/2014	City of Lynnwood	6,455.67	Program Payment
	5/15/2014	Community Health Center of Snohomish Co	8,333.33	Program Payment
	5/15/2014	Domestic Violence Services Snohomish Co	1,621.08	Program Payment
	5/15/2014	Edmonds School District No. 15	65,315.50	Program Payment
	5/15/2014	Edmonds Senior Center	4,518.00	Program Payment
	5/15/2014	Free Range Health	1,767.42	Program Payment
	5/15/2014	Medical Teams International	4,000.00	Program Payment
	5/15/2014	Prescription Drug Assistance Foundation	4,166.67	Program Payment
	5/15/2014	Program for Early Parent Support	3,333.33	Program Payment
	5/15/2014	Project Access Northwest	6,666.67	Program Payment
	5/15/2014	Providence Hospice & Home Care Foundation	12,916.67	Program Payment
	5/15/2014	Puget Sound Christian Clinic	8,750.00	Program Payment
	5/15/2014	Senior Services of Snohomish County	57,936.67	Program Payment
	5/15/2014	Smithwright Services	5,416.67	Program Payment
	5/15/2014	Snohomish County Fire District 1	12,035.50	Program Payment
	5/15/2014	Washington CAN! Education & Research Fund	18,000.00	Program Payment
	5/15/2014	Wonderland Development Center	11,250.00	Program Payment
	5/15/2014	YWCA of Seattle, King and Snohomish Co	4,166.66	Program Payment
	5/15/2014	Edmonds Community College	16,712.25	Program Payment

Warrant Number	Transaction Date	Payee	Amount	Purpose
Wire/ACH Activity:				
	5/15/2014	Center for Advanced Recovery Solutions	4,685.00	Program Payment
	5/15/2014	Edmonds School District No. 15	6,000.00	Program Payment
	5/15/2014	American Heart Association	1,426.00	Program Payment
	5/15/2014	YMCA of Snohomish County	25,000.00	Program Payment
	5/6/2014	Benefit Solutions Inc	176.92	FSA Payments
	5/16/2014	Benefit Solutions Inc	854.24	FSA Payments
	5/21/2014	Benefit Solutions Inc	112.92	FSA Payments
	5/24/2014	Benefit Solutions Inc	54.95	FSA Payments
	5/28/2014	WA Department of Revenue	894.92	B&O tax
		Total Wires/ACH Transactions	426,813.42	
Kruger Clinic Activity:				
038-061	May 2014	Various Claimants/Vendors	27,842.04	Administered by Healthcare Realty
Workers Compensation Claims Activity:				
305142-148	May 2014	Various Claimants/Vendors	2,433.12	Administered by Eberle Vivian
		Total Disbursements	\$ 626,732.53	

Transaction Date	Payer	Amount	Purpose
Deposits:			
5/1/2014	Swedish/Edmonds	716,940.94	Monthly lease
5/1/2014	Value Village	24,428.45	Monthly lease
5/1/2014	Raymond Liu, D.D.S.	3,282.74	Monthly lease
5/1/2014	Brian Tagaki, MD	75.00	Monthly lease
5/1/2014	John Headley MD PS	18,571.06	Monthly lease
5/12/2014	Puget Sound Gastro	27,425.93	Monthly lease
5/12/2014	Snohomish County	794,326.26	Tax Levy
5/22/2014	John Headley MD PS	61.50	Monthly lease
5/30/2014	Healthcare Realty Services, Inc.	4,166.67	Ground lease
5/22/2014	Puget Sound Gastro	797.97	Monthly lease
5/31/2014	Investment Income - Op	30.68	Investment Income
5/31/2014	Investment Income - Op	0.44	Investment Income
Total Deposits		\$ 1,590,107.64	


E: 32:14
6.25.2014.

VERDANT HEALTH COMMISSION
PUBLIC HOSPITAL DISTRICT #2
SNOHOMISH COUNTY, WASHINGTON

WARRANT APPROVAL

We, the undersigned Board of Commissioners of Public Hospital District #2 of Snohomish County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that Warrant Numbers 10678 through 10713 have been issued for payment in the amount of \$169,643.95. These warrants are hereby approved.

Attest:



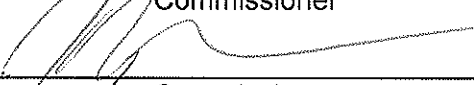
Lisa M. King



Commissioner



Commissioner



Commissioner



Commissioner



Commissioner

Warrants Processed:	5-1-14 – 5-31-14	\$169,643.95
Work Comp Claims Pd:	5-1-14 – 5-31-14	2,433.12
Kruger Clinic Processed:	5-1-14 – 5-31-14	27,842.04
Payroll:	4-13-14 – 4-26-14	10,875.28
	4-27-14 – 5-10-14	16,025.44
	5-11-14 – 5-24-14	<u>17,099.17</u>
		43,999.89
Electronic Payments:	Payroll Taxes	17,421.38
	Paychex	235.38
	Valic Retirement	5,840.64
	Benefit Solutions	1,199.03
	Bank Fees	944.66
	WA State Dept Revenue	894.92
	Program Expenditures	<u>356,277.52</u>
		<u>382,813.53</u>
	Grand Total	<u>\$626,732.53</u>

June 2014 Program Committee Summary

Program Summary

- Four new funding applications
- Follow-up on Puget Sound Kidney Center request
- Kinderling attended a Q&A session with Program Committee
- New Swedish/Edmonds Gala request

Recommended for Funding

- **Medical Teams International – Mobile Dental Vehicle:** A one-time request of \$180,000 to purchase a mobile dental clinic vehicle to replace a vehicle that was recently retired. The clinic will be used to provide 72 dental clinics in Verdant's district each year serving a total of 720 patients. Verdant is being asked to fund 50% of the vehicle purchase price, and Washington Dental Services Foundation has committed to fund the rest.

The program committee is recommending fully funding the request at \$180,000 on a one-time basis.

Pages 18-19 of this packet have additional information on the vehicle and anticipated clinics.

- **Within Reach – South Snohomish County Insurance Corps:** A one-year renewal request to support outreach and education on the Affordable Care Act. The program would include in-person education, eligibility screening, application assistance and follow-up. Funds would be used for a bilingual Russian/Ukrainian outreach worker and one Americorps outreach worker stipend. Verdant previously provided \$50,000 in funding for the program, and Within Reach exceeded its goal for enrollments. The program would expect to educate 1,600 families and enroll at least 400 families in health insurance.

The program committee is recommending fully funding the request at \$33,000 for one-year.

- **Brain Energy Support Team - Edmonds Head Injury Support Group:** A one-time request to support the Edmonds Head Injury Support Group hosted at Swedish/Edmonds Hospital with the Brain Injury Support Team acting as the fiscal sponsor. Verdant funds would be spent on community events, speakers, materials and other support group costs. Commissioner Langer recused himself from the discussion of this proposal. **The program committee is recommending fully funding the request at \$3,500 for one-year.**

Not Recommended for Funding

- **Guided Pathways – Support for Youth & Families:** Guided Pathways is a family support organization based in Kent that was founded in 2012. The organization is requesting funding to launch a family support program in Verdant's district and create "resource centers" in churches libraries, and other places where families could receive support. Verdant funds would be used for 1 FTE Family Advocate and 1 FTE Peer support specialist.

The program committee is not recommending funding the program at this time. The committee was concerned that this would be a large grant to a new agency that would have to establish itself in South Snohomish County.

Follow-up on Previous Applications

- **Puget Sound Kidney Center (PSKC) Foundation – Chronic Kidney Disease Education and Prevention Program:** a revised request for a new program focused on helping to reduce the progression of kidney disease. The request would fund 1.1 FTE positions for a program manager, social worker, dietician, and a nurse.

After further discussion, the program committee is recommending funding the program for two years for a total of \$120,000. The committee reviewed some additional information on cost (included on page 20) and PSKC has committed to increasing the number of patients served to 100 per year.

- **Kinderling - South Snohomish County Expansion:** a request for \$135,985 per year for three years to serve children with developmental delays. The program committee met with the applicant and reviewed the program in more detail. Following the discussion there are still some concerns about how the services fit in with existing service providers like Wonderland and ChildStrive in South Snohomish County.

The committee would like to see more of an integrated program where service providers are collaborating to best serve local families. Commissioner Langer is also interested in visiting the organization's Bothell facility.

A		B		C			D			E			F			G			H			I		
New Funding Requests							Request for funding									Priority Area								
#	Name						Year 1	Year 2	Year 3							Education & Empowerment	Prevention	Access to Healthcare						
1	Medical Teams International - Mobile Dental Vehicle Purchase			A one-time request to purchase a mobile dental clinic vehicle to replace a vehicle that was retired earlier this year. The clinic will be used to provide 72 clinics in Verdant's district each year serving a total of 720 patients. Verdant is being asked to fund 50% of the vehicle purchase price, and Washington Dental Services Foundation would fund the rest.			\$180,000											X						
2	WithinReach - South Snohomish County Insurance Corps			A one-year renewal request to support outreach and education on the Affordable Care Act. The program would include in-person education, eligibility screening, application assistance and follow-up. Funds would be used for a bilingual Russian/Ukrainian outreach worker and one Americorps outreach worker stipend. Verdant previously provided \$50,000 in funding for the program. The program would expect to educate 1,600 families and enroll at least 400 families in health insurance.			\$33,000									X		X						
3	Brain Energy Support Team - Edmonds Head Injury Support Group			A one-time request to support the Edmonds Head Injury Support Group with the Brain Injury Support Team acting as the fiscal sponsor. Verdant funds would be spent on community events, speakers, materials and other support group costs.			\$3,500									X								
4	Guided Pathways - Support for Youth & Families			Guided Pathways is a family support organization based in Kent that was founded in 2012. The organization offers 1x1 parent support, parenting classes and support through a contract with King County. The organization is requesting funding to launch a family support program in Verdant's district and create "resource centers" in churches, libraries, and other places where families could receive support. Verdant funds would be used for 1 FTE Family Advocate and 1 FTE Peer support specialist.			\$100,000	\$100,000	\$100,000							X		X						

#	Name	Previous Requests	Year 1	Year 2	Year 3	Education & Empowerment	Prevention	Access to Healthcare	Policy & Advocacy
5	Puget Sound Kidney Centers Foundation - Chronic Kidney Disease Education and Prevention Program	A revised funding request focused on helping to reduce the progression of kidney disease and stabilize kidney function for patients, particularly for individuals with chronic kidney disease. The request would fund 1.1 FTE in total for four staff (program manager, social worker, dietitian, and a nurse). The program would expect to serve 50 individuals per year out of the organization's MLT office, and outcomes would be focused on keeping patients off of dialysis and increasing use of home therapy options.	\$70,000	\$50,000	\$40,000	X	X	X	
6	Kindering - South Snohomish County Expansion	Kindering is a Bellevue-based non profit organization that provides support and intervention for children with developmental delays. The organization recently opened a new location in Bothell (just outside of Verdant's district). Kindering is seeking funding to support physical, speech, occupational, feeding and/or mental health therapies and special education to infants and children with disabilities. Services would be provided in families' homes, childcare centers or the new Bothell center. The program would expect to serve 83 children per year.	\$135,985	\$135,985	\$135,985			X	

Addendum to Medical Teams International Proposal

Details of Clinic Projections

The chart below shows the current number and location of Mobile Dental clinics in Verdant's service area, Snohomish County Hospital District No. 2. It also shows our plan to increase the number of clinics in this area from our current 48 per year to 72 per year. If we secure funding for the new van by July 2014, we anticipate launching it into service by Spring 2015. The addition of monthly clinics with a new site partner will coincide with this launch, bringing us to 72 clinics per year.

	Current Clinics Per Quarter	Projected Q3 FY14 (April-June 2014)	Projected Q4 FY14 (July-Sept 2014)	Projected Q1 FY15 (Oct-Dec 2014)	Projected Q2 FY15 (Jan-March 2015)	Projected Q3 FY15 (April-June 2015)	Projected Q4 FY15 (July-Sept 2015)
Alderwood Community Church	3	3	3	3	3	3	3
Edmonds Community College	3	3	3	3	3	3	3
Faith Community Church	3	3	3	3	3	3	3
Lynnwood Rotary Apartments	2	2	2	2	2	2	2
St. Pius X Catholic Church	1	1	1	1	1	1	1
Lynnwood Food Bank	0	0	0	3	3	3	3
Site To Be Determined	0	0	0	0	0	3	3
Total Clinics per Quarter	12	12	12	15	15	18	18
Annual Clinics	48	48	48	60	60	72	72

Assumptions

MTI can commit to holding up to 72 clinics in the Verdant geographical area given the following:

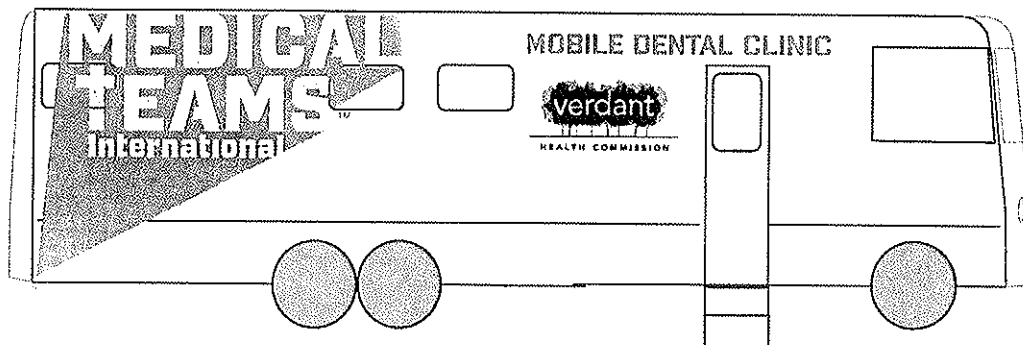
- Verdant funds half the remaining cost of the Mobile Dental van (\$180,000). The targeted number of clinics we will hold in Verdant's district will be proportional to the amount of the van cost that Verdant contributes.
- MTI can continue to apply for and receive operational funding grants for the targeted number of clinics up to this maximum (72).
- Each 3-year grant cycle includes an assessment and confirmation that sufficient dental need and barriers to access remain to continue funding at the existing level.
- MTI is able to access Verdant's network of community partners for the purpose of developing additional site partners.
- MTI will provide Verdant with Letters of Intent from existing and future partners to confirm the clinic commitments outlined in the chart above.

Additional Benefits for Verdant of Funding the New Van

Verdant will receive the following benefits as a result of funding the new van:

- In addition to the commitment of 72 clinics per year discussed above, MTI agrees to hold a quarterly clinic organized by Verdant in Snohomish County Hospital District No. 2 which will be funded through outside sources. This additional quarterly clinic will continue through the remainder of the current operational funding agreement, and will be reassessed with each new operating agreement.
- Verdant will have a logo prominently placed on one side of the new Mobile Dental van. The Verdant logo will be in *Graphics Area A*, an area which is approximately 72 inches wide and 36 inches high and considered prime placement for donor logos. The sponsor logo space is located on the front middle third of the van on both sides. The size of the logo will depend on the number of donors and the percentage of the total van cost contributed by each. The logo areas include a heading that reads, "*Made possible by generous grants from.*" In the case of a funding split between Verdant and WDS Foundation, each would receive a logo on one side in Area A. This logo will remain for the life of the van. If at any time either party is the subject of public disrepute or scandal, the other party shall have the right to request removal of the logo from the van.
- The inherent mobility of the Mobile Dental van will help to expand awareness of Verdant and the benefits they are bringing to the south Snohomish County community as the van travels to multiple locations throughout Verdant's district.

Mock-up of prospective Verdant logo with a \$180,000 gift:



Cost Comparision between Puget Sound Kidney Center & other programs

A	B	C	D
1	PSKC Proposal		
2	Year 1	Year 2	Year 3
2	Total program costs (less in kind)	\$ 140,435	\$ 115,535
3	Verdant request	\$ 70,000	\$ 50,000
4	# of participants	100	100
5	Total cost per participant	\$ 1,404	\$ 1,155
6	Cost per participant for Verdant \$	\$ 700	\$ 400
7			
8	Program includes: bi-weekly classes, support groups, 1x1 dietician and social worker support.		
9	American Heart Association Better U		
10	Year 1	Year 2	
10	Total program costs (less in kind)	\$ 33,000	\$ 26,600
11	Verdant request	\$ 33,000	\$ 26,600
12	# of participants	51	50
13	Total cost per participant	\$ 647	\$ 532
14	Cost per participant for Verdant \$	\$ 647	\$ 532
15	Program includes: 12 week education seminar, public event at Alderwood Mall (reach 250 participants) and 3 rounds of biometrics, including 6 months after program completion.		
16	American Diabetes Association		
17	Year 1		
17	Total program costs (less in kind)	\$ 62,500	
18	Verdant request	\$ 50,000	
19	# of participants	200	
20	Total cost per participant	\$ 313	
21	Cost per participant for Verdant \$	\$ 250	
22	Program includes: 4 module education seminar, screenings, living with diabetes information to larger set of participants.		

E. 35:14
6.25.14

21601 76th Avenue West, Edmonds, WA 98026
T 425.640.4000
swedish.org



June 16, 2014

Mr. Carl Zapora
Superintendent
Verdant Health Commission
PO Box 2606
Lynnwood, WA 98036

Dear Carl,

As we've discussed, 2014 is going to be a milestone year in the History of the Hospital. Our new parking garage will open on June 27th, to be followed by the groundbreaking ceremony on the site of the new Ambulatory Care Center on September 9th. We will also be celebrating at that same time, the 50th anniversary of the Hospital. It is without doubt a time for immense celebration, with the Community as the main benefactors.

In recognition of this especially unique time in the Hospital's history, including its 50th anniversary, I am requesting the consideration of the Board of Commissioners to make a contribution this year of \$50,000 in support of our new Facility. Last year the Commissioners generously made a contribution of \$25,000. If the Commissioners were to see fit to approve the \$50,000 contribution it is understood that we would not expect that amount for the following years.

In addition to the benefit of having this contribution announced at the upcoming Swedish Edmonds Gala on November 14th, Verdant would get naming opportunities valued at \$100,000 in recognition of their gifts totaling \$75,000 (last year and this year).

Verdant may choose any combination of the following naming opportunities valued at \$100,000 total:

SWEDISH EDMONDS AMBULATORY CARE CENTER, PUBLIC SPACES, AND ARTWORKS
--

Main Lobby Artwork (Guy Anderson piece) (plaque)	\$100,000
Glacial Rock - Entryway	\$ 25,000
Bicycle Parking Lot	\$ 25,000

EMERGENCY DEPARTMENT

Family Lounge -- East (plaque)	\$100,000
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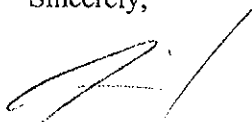
URGENT CARE CENTER

Family Lounge (plaque)	\$100,000
Consultation Room (plaque)	\$ 50,000
Examination Room -- 10 total (plaque)	\$ 25,000

The partnership between Verdant and the Hospital serves as a casebook study of how two distinct entities can come together successfully to benefit the health and welfare of the Community, of which we can all be proud.

Thanks again for your consideration of our request, and your commitment and generous support to Swedish Edmonds. Please let me know if you have any questions.

Sincerely,



David E. Jaffe
Chief Executive

cc: Maggie Keelan

June 2014 Marketing Report

6 Weeks to a Healthier You Update

Biometrics and Survey Feedback from 2014

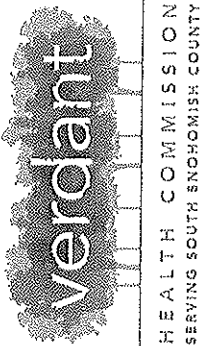
- See following pages for complete results

Planning for 2015

- Clear interest and enthusiasm from community and modest improvements in biometrics have been positive over the course of the past three years.
- With the opening of the Verdant Community Wellness Center in winter 2014, staff will be focused on programming needs within the building space in 2015.
- In light of this, we will not offer 6 Weeks to a Healthier You in spring 2015.

The Canopy Newsletter

The next issue of The Canopy will arrive in mailboxes next week.



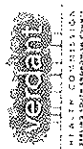
6 Weeks to a Healthier You 2014 Summary Survey Feedback and Biometrics Results



Attendance at Sessions

Year	Session 1 Longevity	Session 2 Nutrition	Session 3 Exercise	Session 4 Stress	Session 5 Kids/Families	Session 6 Cooking
2012 - 480 registered	92.5%	86.6%	82.9%	77.5%	69.6%*	69.6%*
2013 - 323 registered	93.2%	85.4%	80.2%	73.1%	54.8%	67.5%
2014 - 259 registered	92.6%	85.3%	76.8%	71.8%	54.4%	72.6%

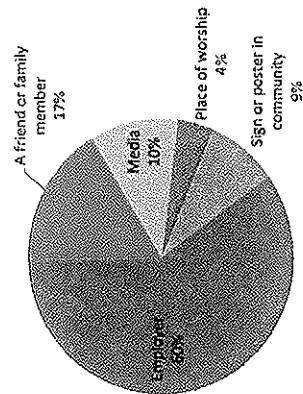
*In 2012, the Kids/Families topic was presented during Session 6 and Cooking was Session 5.



Survey Feedback

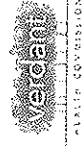
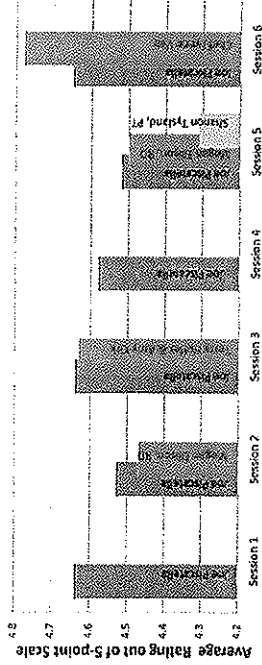
Participation: 34% for Post-Program Survey

How did you hear about the program?





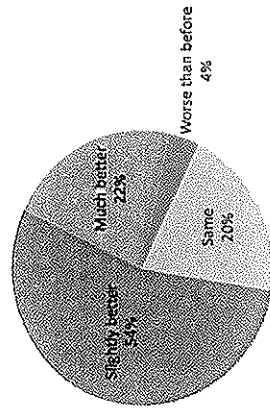
2014 Session Ratings at End of Each Session



2014 Session Ratings at End of Program



How would you rate your health after participating in the program?



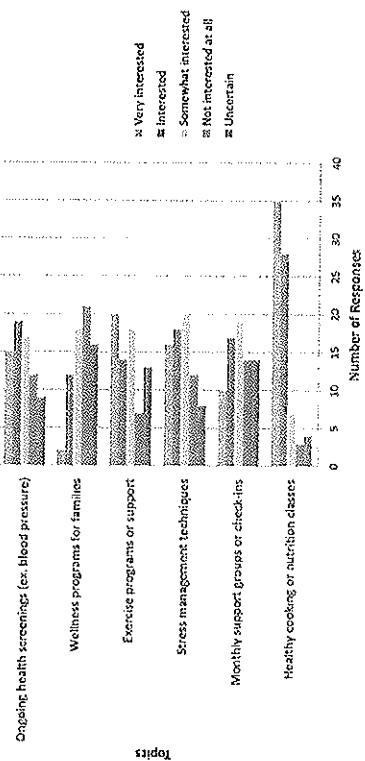
Year	Program Average Rating
2012	4.60
2013	4.68
2014	4.60



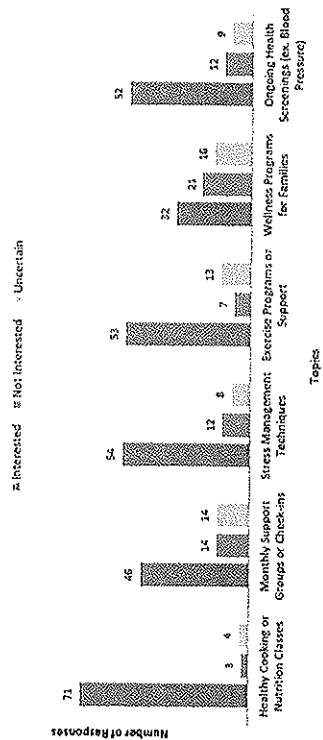
Coupon	Uses or Planned Uses
Edmonds Rec	7
Lynnwood Rec	12
Mountlake Terrace Rec	6
YMCA 6-week pass	17
Harbor Square 6-week discount	7
Swedish/Edmonds exercise discount	7
PCC discount	59



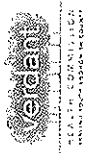
How interested would you be in programming on the following topics?



How interested would you be in programming on these topics?



Biometrics Summary June 2014



Post-test Results

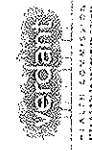
- 149 post-tests
- 123 both pre- and post- results (comparison group)



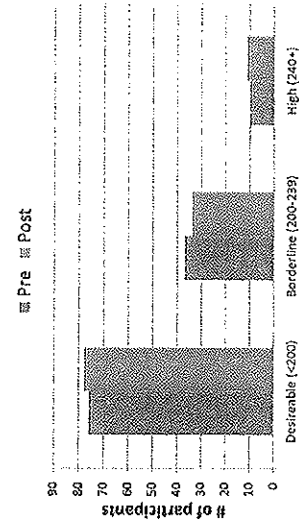
Self-Reported Exercise	2014 Pre	2014 Post
Days per week	3.4	3.8
Minutes per day	34.4	40.7



2014 Weight	Change
Average lbs lost	2.8
Lost > 5 lbs	28%
Lost > 10 lbs	9%
Total weight loss	347 lbs



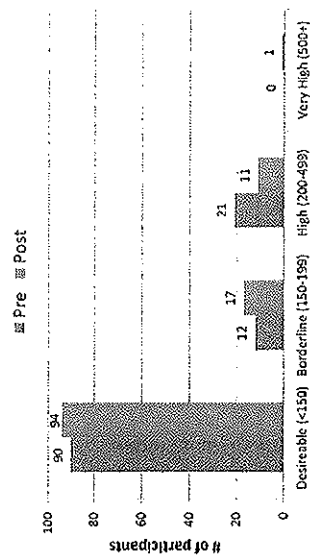
2014 Total Cholesterol



Average pre	194
Average post	190
Average change	-4
% change	-2%



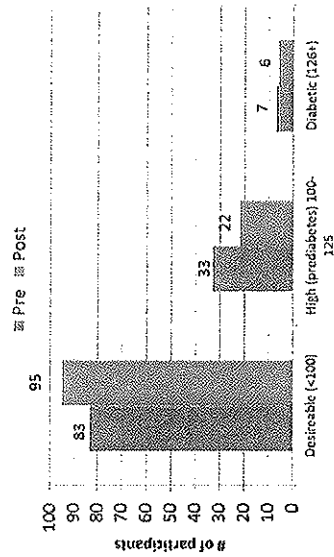
2014 Triglycerides



Average pre	123
Average post	120
Average change	-3
% Change	-2%



2014 Blood Glucose



Average pre	98
Average post	94
Average change	-4
% Change	-4%

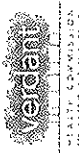


2014 Stress	Pre	Post
Number of days per week under stress	3.9	3.7
Rating of ability to cope with stress (1-10)	6.7	6.9

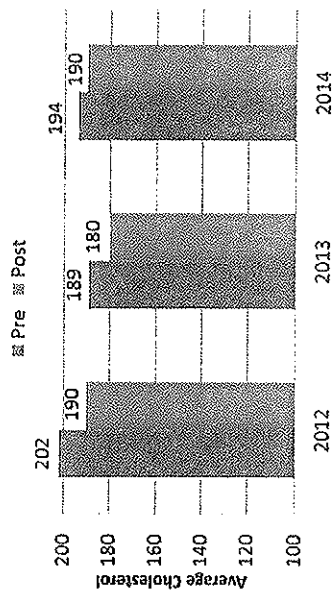


HEALTH COMMISSION
SERVING SOUTH SNOHOMISH COUNTY

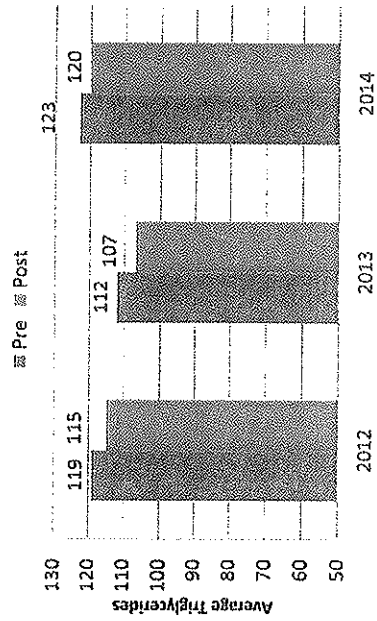
3-year comparison (2012-2014)



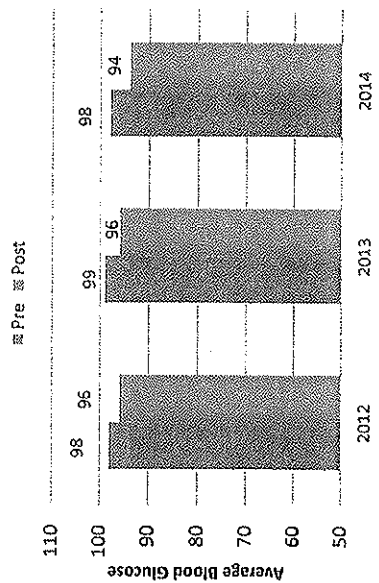
Average Cholesterol



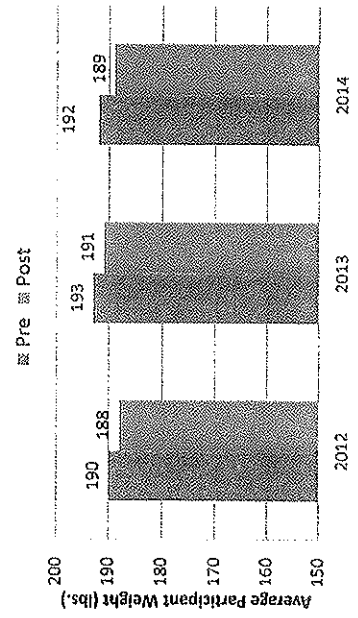
Average Triglycerides



Average Blood Glucose



Average Weight (lbs.)



	2012	2013	2014
Average Age	55	54	55
% Female	75%	70%	80%
% Obese (Pre and Post) (BMI 30+)	50%	45%	54%

Summary of results

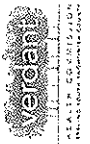
- Similar profile to previous years, with modest improvements in range of biometric measures: cholesterol, glucose, self-reported exercise
- Many participants lost some weight; BMIs indicate there's still a long way to go

Results from 6-month Reunion in 2013 (n=66)

Area Screened	Result
Avg. Weight	-3 lbs
Avg. Total Cholesterol	-1%
Avg. LDL	-1%
Avg. HDL	+3%
Avg. Triglycerides	-7%
Avg. Blood Glucose	-3%

Results from 18-month Reunion in 2013 (n=42)

Area Screened	Result
Avg. Weight	-10 lbs
Avg. Total Cholesterol	-5%
Avg. LDL	-8%
Avg. HDL	+3%
Avg. Triglycerides	-14%
Avg. Blood Glucose	0%



"I have struggled to create a balance between a strict diet where I deprive myself of everything and a diet in moderation. **This program makes so much more sense to me and I am so excited and motivated to continue on this path to a healthier me!"**

-Anonymous
(Comment #7)



"**It was a LOT of bang for the buck, so I appreciated that - especially getting the blood work done, since I don't have insurance and never go to the doctor.**"

-Anonymous
(Comment #29)



"I have lost 16.5 pounds, exercising a little (none before) and am in the normal range for cholesterol now. I feel SO much better. Forced (HA!) to buy smaller clothing. ... **I am making changes and not feeling pressure to do so or from doing so. I am just enjoying the changes.** Thank you. I will continue to build on this."

-Sharon Crandall
(Comment #44)



"I have lost at least 6 pounds and keeping it off. My metrics are better. I saw a huge drop in my cholesterol from 211 to 142. ... What I liked about the program, is **the subtle but powerful message about being intentional in everything you do.** From what you put into your mouth, to exercising and movement, to the management of the inevitable stress that we all experience..."

-Cyndy Clegg
(Comment #51)

6 Weeks 2014 Survey Feedback Open-ended Comments

Do you have any general comments about the program?

- 1 Everything was great!
- 2 Enjoyed the program content. Felt as though he was sharing his stories- friendly and funny rather than a lecture.
- 3 Well organized program. Held my interest for the whole program, even after some days working 10 hours or more.
- 4 I think it needs to go into deeper information. We know what we should do, but really need help to carry out an effective eating plan.
- 5 This is a valuable program offered by our community partners. Thank you to all who participated to make it a success.
- 6 I probably would enroll in program again to keep focused.
- 7 I have struggled to create a balance between a strict diet where I deprive myself of everything and a diet in moderation. This program makes so much more sense to me and I am so excited and motivated to continue on this path to a healthier me!
- 8 I enjoyed it!
- 9 I feel the program was designed more for older individuals and people who have health problems relating to heart issues. It was not as relevant for people such as me who have a healthy heart and good levels but are just over weight. I gained weight during the six weeks as my body is not used to eating a high carb meal at all.
- 10 I appreciate having the opportunity to give feedback and to ask questions after each session.
- 11 So thankful for the idea of even little changes can be so healthy. Also the truth-this is something to do for the rest of my life.
- 12 My company asks us to submit biometrics twice yearly for reduction in medical cost. Program cost less than going to my provider to have them done. This was a wonderful deal with only labs.
- 13 I hope there continues to be financial support to offer to the community. I encourage pursuit of corporate support of employee participation.
- 14 I have been following a plant strong diet for years and would like Joe to include mention of non dairy options. They are not only healthier but also a sustainable food
- 15 Very impressed that you are providing this to the community.
- 16 Information presented was very generic and aimed toward people with no background knowledge about healthy lifestyle choices. I was expecting more in depth information and strategies. It would have been nice if program flyers indicated that the program was geared toward novices.
- 17 Thanks.
- 18 I thought it was just the right amount of time for working professionals, it was interesting, lively, covered a lot of areas. the only thing I would change is the lesson on stressors. The other thing is that they say the majority of adults are single and kids are grown. I guess I would add the stressors of living with others that eat differently, and the different stressors of eating little meals alone. Also the stressors of life make it hard to know how to do this alone. We need support groups /team work to encourage and learn from one another or have a leader with tips ...like Joe!
- 19 I have learned A LOT and am thankful for the entire team that has put this together!
- 20 I love Joe's "backing in" approach. He was not in your face or full throttle, but had a wonderful approach, such as, "Let's try this for a couple times next week." He is an excellent motivator.

- 21 Very good job.
- 22 I was hoping for a list of healthy snacks options. I know we have the list of better choices, but beyond the nuts, lowfat cheese, fruit - what else? Things that we can pack in the car to take with us and avoid the fast food or gas station stops
- 23 I would like to thank the Verdant Health Commission, Lou Piscatella and the array of sponsors who made this program possible.
- 24 Have as many guest speakers as possible.
- 25 I would appreciate having some menu ideas - maybe even plans for a day - I feel like I am eating the same things over and over and could use help coming up with other healthy options.
- 26 It was excellent!
- 27 It was very informative and thoroughly enjoyable. I am very grateful to my employer (Snohomish County gov't.) for offering this program to us. I think the price I paid was a super bargain....and I love to find bargains!
- 28 I really enjoyed learning about Joe's journey to better health. It helped me to feel that it is possible to make changes that are manageable and sustainable.
- 29 It was a LOT of bang for the buck, so I appreciated that - especially getting the blood work done, since I don't have insurance and never go to the doctor.

Do you have a success story to share – weight loss, a lowering of triglycerides or cholesterol, an increase in exercise, etc? If so, please share it here.

- 30 Lowered my Blood Sugar and increased by HDL levels
- 31 I have lost five pounds, read the labels, and am now noting the sugar content I did not do that before. I actually dropped my cholesterol a couple of numbers and my triglycerides, while still high came down a couple of notches a well.
- 32 Though I do not have my eating under control, I have been able participate in water aerobics class and lap swimming due to a coupon that made the Harbor Square Athletic Club available to me. This is a gift to me!!
- 33 lost 3 lbs
drank more water
signed up for a nutritionist at Swedish Edmonds
- 34 The pride I have in myself now is the greatest benefit of this program.
- 35 All of my numbers went down in the 6 weeks. I was very surprised to see that. Most of what was talked about I know or should know already. But the way it was taught really hit home. I actually think about the foods I am eating now and a lot of the time my thoughts are "Is this clogging my arteries right now?"
- 36 weight, cholesterol, bp were all lower!
- 37 I've been type 2 diabetic. Lost weight spring 2014 & my glucose level reduced. 1st screening glucose was 103. second test 93. Yahoo. Was it the increase in oatmeal mornings?
- 38 My numbers were good before I started. But the program helped me focus on staying active and after six weeks it became a habit. I feel stronger and am sure I lost inches as well as 4 lbs.
- 39 Even though my exercise level has been greatly decreased due to knee problems, all of these

- levels showed improvement.
- 40 Yes. I lost 8 lbs!
- 41 My triglycerides went down by 10 points!
- 42 While I am struggling with developing new taste buds -- I really love my cheese -- I went from zero to 2-mile-a-day workouts at home in my living room with Leslie Sansone on YouTube. That's an accomplishment. Some days I have missed, I admit, but I can feel the difference in my breathing. This is the exercise that works for me.
- 43 Cholesterol down from 198 to 163; rise in "good" cholesterol from 40 to 47. Weight drop of 16 pounds. BP drop from 128/82 to 118/80
- 44 I have lost 16.5 pounds, exercising a little (none before) and am in the normal range for cholesterol now.
I feel SO much better. Forced (HA!) to buy smaller clothing.
As a picky eater it is hard for me to change what I eat, but all the ideas and recipes I got from this class are something I can do. I am making changes and not feeling pressure to do so or from doing so. I am just enjoying the changes.
Thank you. I will continue to build on this.
- 45 I am an active person. I was surprised to see my cholesterol at 210 during the initial screening. I was even happier to see it at 160 at the end of the six weeks. I definitely use tips from Joe on a daily basis and frequently share them with my spouse.
- 46 My stress level has improved a lot.
- 47 Due to the results of my April lab test with a few high flags I went to the doctor. I had another reason to see my Dr but I showed him my results. He started me on a low dose of statin and the test from last week now shows me low. What a difference 6 weeks and drugs can do. I have an email to my doctor to share the new results. Yeah!
- 48 Put simply, "Great Program". I could site numerous helpful topics/examples. The various "statistics" cited throughout the program certainly opened my eyes! Joe's personal stories and his sense of humor helped lighten some serious topics. One great tool that comes to mind immediately is the "23 1/2 hour" You Tube video. Not only was it enjoyable to watch, it made a big impression on me personally! I'm now taking that to heart, literally, by making sure I get 30 minutes of cardio exercise daily (usually first thing in the a.m. before excuses crop up). In addition, I'm walking daily and rowing every other day (excellent core and overall body activity). Following your 6 Weeks to a Healthier You program, I feel I have a healthier relationship with food as well; now seeing it as "fuel" for our miraculous, wonderful and incredibly complex bodies. Grocery shopping is fun again now that I can skip running down most of the aisles! I wouldn't put bad gas in my car and expect it to perform well! It is a joy to feel good physically by eating healthily and exercising. These healthy habits have also allowed me to significantly manage the stress of everyday lifenice bonus! Thank you for steering me in the right direction! You provided a supportive environment to address some very important and serious health issues. It is never too late to start on the path to a healthier you! A heartfelt thank you for a wonderful program.
- 49 I have increased exercise...I really like that Joe said to go ahead and take in small steps.....Sometimes it's just overwhelming to think of doing everything all at once...We can tackle a few changes at a time.
- 50 Well, I know I had a change in numbers, but I have to take a bit more time to figure out whether the second set of numbers is better than the first set.
- 51 I have lost at least 6 pounds and keeping it off. My metrics are better. I saw a huge drop in my cholesterol from 211 to 142. I feel better, I have more energy and I am walking more. I even feel better about myself and feel like I have a better, more positive attitude. What I liked about the






















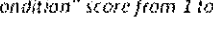
program, is the subtle but powerful message about being intentional in everything you do. From what you put into your mouth, to exercising and movement, to the management of the inevitable stress that we all experience. It was a great 6 weeks and I have told many of my friends about it...and they will be the first in line to sign up next year!

52 I have increased my exercise and am making it a higher priority.

53 My health is much better than before the program. I greatly reduced my weight, triglycerides, and cholesterol. I eat better. My ability to exercise has increase greatly. I am able to run about 6-7 miles in a day. I could elaborate more if needed.

Measuring hospital care

Preliminary scoring by the Centers for Medicare & Medicaid Services, most hospitals in King, Snohomish and Pierce counties received low enough scores (7 and below) to not be rated for preliminary penalties. And those rated for preliminary penalties were just above the dividing line.

HOSPITAL	CITY	PRELIMINARY PENALTY	PRELIMINARY SCORE
Cascade Valley Hospital	Arlington	N	5.00 
Evergreen Hospital Medical Center	Kirkland	N	5.65 
Harborview Medical Center	Seattle	Y	7.73 
Highline Medical Center	Burien	N	2.05 
MultiCare Auburn Medical Center	Auburn	Y	7.08 
MultiCare Good Samaritan Hospital	Puyallup	N	6.75 
MultiCare Tacoma General Hospital	Tacoma	N	6.43 
Northwest Hospital	Seattle	Y	7.60 
Overlake Hospital Medical Center	Bellevue	N	5.68 
Providence Regional Medical Center	Everett	N	5.35 
St. Anthony Hospital	Gig Harbor	N	6.35 
St. Clare Hospital	Lakewood	N	4.15 
St. Francis Community Hospital	Federal Way	N	3.05 
St. Joseph Medical Center	Tacoma	N	5.75 
Swedish / Edmonds	Edmonds	N	4.43 
Swedish / Issaquah	Issaquah	N	6.00 
Swedish Medical Center / First Hill	Seattle	Y	7.73 
Swedish Medical Center / Cherry Hill	Seattle	Y	7.73 
University of Washington Medical Ctr.	Seattle	N	4.30 
Valley General Hospital	Monroe	N	4.00 
Valley Medical Center	Renton	N	6.10 
Virginia Mason Medical Center	Seattle	N	6.70 

Note: Scores are preliminary and are calculated by Medicare, which gives hospitals a "hospital acquired condition" score from 1 to 10. Higher numbers indicate the hospital had a greater rate of patient harm.

Sources: Centers for Medicare & Medicaid Services, Kaiser Health News

KELLY SHEA / THE SEATTLE TIMES

The Seattle Times

Winner of Nine Pulitzer Prizes

Local News

Originally published June 22, 2014 at 12:02 AM | Page modified June 23, 2014 at 6:58 PM

Corrected version

4 Seattle hospitals could be penalized over patient care

Some Puget Sound area hospitals may face penalties under the federal government's toughest effort yet to crack down on infections and other patient injuries.

By Jordan Rau / Kaiser Health News and Lisa Stiffler / Special to The Seattle Times

Measuring hospital care

In preliminary scoring by the Centers for Medicare & Medicaid Services, most hospitals in King, Snohomish and Pierce counties received low enough scores of 1 and below to not be rated for preliminary penalties. And those rated for preliminary penalties, with paid above the finding, are

HOSPITAL	CITY	PRELIMINARY PENALTY	PRELIMINARY SCORE
Cascade Valley Hospital	Bellevue	N	5.10
Evergreen Hospital Medical Center	Everett	N	5.65
Harborview Medical Center	Seattle	Y	7.71
Highline Medical Center	Burien	N	3.15
MultiCare Auburn Medical Center	Auburn	Y	3.00
MultiCare Good Samaritan Hospital	Bellevue	N	6.75
MultiCare Tacoma General Hospital	Tacoma	N	6.42
Northwest Hospital	Seattle	Y	7.60
Orestal Hospital Medical Center	Bellevue	N	5.88
Pendleton Regional Medical Center	Longview	N	5.15
St. Anthony Hospital	Big Harbor	N	6.35
St. Clare Hospital	Everett	N	4.15
St. Francis Community Hospital	Prosser	N	3.05
St. Joseph Medical Center	Tacoma	N	5.75
Swedish / Eveready	Edmonds	N	4.43
Swedish / Inland	Northshore	N	6.00
Swedish Medical Center / Flagstaff	Seattle	Y	7.71
Swedish Medical Center / Long Hill	Seattle	Y	7.71
University of Washington Medical Ctr.	Seattle	N	4.10
Valley View Hospital	Maple Valley	N	4.00
Valley Medical Center	Redmond	N	6.10
Virginia Mason Medical Center	Seattle	N	6.70

Note: Scores are preliminary and are subject to change. Hospitals with scores of 1 and below are not rated for preliminary penalties. Hospitals with scores of 2 and above are rated for preliminary penalties. Hospitals with scores of 3 and above are rated for preliminary penalties. Hospitals with scores of 4 and above are rated for preliminary penalties. Hospitals with scores of 5 and above are rated for preliminary penalties. Hospitals with scores of 6 and above are rated for preliminary penalties. Hospitals with scores of 7 and above are rated for preliminary penalties. Hospitals with scores of 8 and above are rated for preliminary penalties. Hospitals with scores of 9 and above are rated for preliminary penalties. Hospitals with scores of 10 and above are rated for preliminary penalties.

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Some of the best-known hospitals in the Puget Sound area may face penalties under the government's toughest effort yet to crack down on infections and other patient injuries, federal records show.

In Seattle, Swedish Medical Center hospitals on First Hill and Cherry Hill and UW Medicine's Harborview Medical Center and Northwest Hospital could have their Medicare payments docked this fall, based on a suite of patient-safety measures.

A quarter of the nation's hospitals — those with the worst rates — will lose 1 percent of every Medicare payment for a year starting in October.

In April, federal officials released a preliminary analysis of hospitals on track to be penalized, including 14 out of 48 hospitals in Washington state. Nationwide, 761 face sanctions, though the list could change because the government will be looking at performance over a longer period than it used to calculate the draft penalties.

In King County, the four Seattle hospitals plus MultiCare Auburn Medical Center were just slightly above the penalty cutoff, while eight others in the county scored better. No hospitals in Pierce or Snohomish counties were pegged for sanctions.

"We're constantly challenging ourselves to improve, regardless of how we were already doing," said Dr. Rick Goss, medical director of Harborview and director of Quality of Metrics Reporting for UW Medicine.

The sanctions, estimated to total \$330 million nationwide, kick in at a time when many hospital infections are on the decline, but still too common.

In 2012, 1 of every 8 patients nationally suffered a potentially avoidable complication during a hospital stay, the government estimates. Even infections that are waning are not decreasing fast enough to meet government targets. Meanwhile, new strains of antibiotic-resistant bacteria are making infections much harder to cure.

"The medical profession has not covered itself with glory in terms of medical errors and events that should not occur," said Dr. Terry Rogers, chief executive officer for the Seattle-based Foundation for Health Care Quality, a nonprofit organization. "We have chipped around the edges, but we still kill a lot of people in hospitals who should not die."

Are the metrics right?

Medicare's penalties are going to hit some types of hospitals harder than others, according to an analysis of preliminary penalties conducted for Kaiser Health News by Dr. Ashish Jha, a professor at the Harvard School of Public Health.

Publicly owned hospitals and those that treat many low-income patients are more likely to be assessed penalties. So are large hospitals, ones in cities, and those in the West and Northeast. Preliminary penalties were assigned to more than a third of hospitals in Alaska, Colorado, Connecticut, the District of Columbia, Nevada, Oregon, Utah, Wisconsin and Wyoming.

The biggest impact may be on the nation's major teaching hospitals: Slightly more than half were marked for preliminary penalties, Jha found. The reasons for such high rates of complications in these elite hospitals are being intensely debated.

Harborview, a teaching hospital, is the state's only Level 1 trauma center and treats patients with severe injuries and burns from a four-state area. Given that status, these patients "will be more susceptible to some of the hospital-acquired conditions," Goss said. The University of Washington Medical Center does not face penalties.

Leah Binder, CEO of The Leapfrog Group, a patient-safety organization, said academic medical centers have such a diverse mix of specialists and competing priorities of research and training residents that safety is not always at the forefront.

When calculating infection rates, the government takes into account the size of the hospital, the location where the patient was treated and whether it is affiliated with a medical school. But the Association of American Medical Colleges and some experts question whether those measures are precise enough.

"Do we really believe that large academic medical centers are providing such drastically worse care, or is it that we just haven't gotten our metrics right?" Jha said. "I suspect it's the latter."

In addition, there may be little difference in the performance between hospitals that narrowly draw federal penalties and those that barely escape them. That is because the health law requires Medicare to punish the worst-performing quarter of the nation's hospitals each year, even if they have been improving.

MultiCare Auburn Medical Center has been working to improve patient care since it was acquired by MultiCare Health System in late 2012, spokeswoman Marce Edwards said in an email. That meant bringing the organization's safety program to the new location and standardizing processes at the hospital.

Providers with UW Medicine are likewise working to standardize many procedures across their facilities to make sure they're all using the best approaches to reduce infections and injury, and they meet on a monthly basis to share their results.

"There is still room for improvement," Goss said. "In all cases we try to eliminate the variation and look for any reason why one patient didn't receive all of the care that was intended."

Pay for performance

The Hospital-Acquired Condition (HAC) Reduction Program, created by the Affordable Care Act, is the third of the federal health law's major mandatory pay-for-performance programs. The first levies penalties against hospitals with high readmission rates and the second awards bonuses or penalties based on two dozen quality measures. Both are in their second year.

When all three programs are in place this fall, hospitals will be at risk of losing up to 5.4 percent of their Medicare payments.

In the first year of the HAC penalties, Medicare will look at three measures. One is the frequency of bloodstream infections in patients with catheters inserted into a vein to deliver antibiotics, nutrients, chemotherapy or other treatments. The second is the rates of infections from catheters inserted into the bladder to drain urine. Both those assessments will be based on infections during 2012 and 2013.

Finally, Medicare will examine a variety of avoidable safety problems in patients that occurred from July 2011 through June 2013, including bedsores, hip fractures, blood clots and accidental lung punctures.

Over the next few years, Medicare will also factor in surgical-site infections and infection rates from two bugs that are resistant to antibiotic treatments: Clostridium difficile, known as C. diff, and Methicillin-resistant Staphylococcus aureus, known as MRSA.

Nationally, rates of some infections are decreasing. Catheter-related infections, for instance, dropped 44 percent between 2008 and 2012. Still, the Centers for Disease Control and Prevention estimates that in 2011, about 648,000 patients — 1 in 25 — picked up an infection while in the hospital, and 75,000 died.

Rates of urinary-tract infections have not dropped despite efforts. These infections become more likely the longer a line is left in, but sometimes they are not removed promptly — out of convenience for the nurse or patient or simply institutional lethargy.

Swedish Medical Center on First Hill beats many U.S. hospitals when it comes to central-line associated bloodstream infections, but has higher urinary-catheter infection rates than others. To help correct that, Swedish has given nurses more authority to remove catheters instead of waiting for a physician's order to remove it, said Dr. Michael Myint, Swedish's vice president for quality and patient safety.

Additionally, their protocols have turned around the decision-making about catheters, said Myint, so “unless you have a clinical reason to keep the catheters in, they should come out.”

About four years ago, Swedish launched a renewed focus on safety, he said, calling on everyone from the window washers to the top surgeons to make patient safety a priority. The goal is to reduce the incidence of preventable harm to zero, Myint said. “We’re going to be relentless until we get there.”

Lisa Stiffler, a freelance writer in Seattle, can be reached at lstiffler.work@gmail.com. This story was produced through a partnership with Kaiser Health News, an editorially independent part of the Kaiser Family Foundation.



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