

Bartlett Regional Hospital

**BOARD OF DIRECTORS
January 26, 2010
Robert F. Valliant Center Boardroom
Minutes**

CALL TO ORDER

Kristen Bomengen called the meeting to order at 5:19 p.m.

Present

Nate Peimann, MD (by phone)	Kristen Bomengen
Kevin Sullivan	Loren Jones
Reed Reynolds	Dr. Alex Malter
Robert Storer	Linda Thomas
Lennie Gorsuch	

Absent

None

Others Present

Shawn Morrow, CEO	Garth Hamblin, CFO
Cathy Carter, CNO	Debbi Lehner, COO
Richard Welling, MD, COS	Toni Petrie, Executive Assistant
Dick Monkman, Atty.	

ROLL CALL

PUBLIC PARTICIPATION – None

APPROVAL OF MINUTES – *Loren Jones made a MOTION to approve the December 15, 2009 minutes as presented. Kevin Sullivan seconded the motion and they were approved.*

MEDICAL STAFF REPORT – Dr. Welling reports;
NEW APPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Stanley P. Watkins, III, MD	Consulting	Cardiology

Dr. Stanley P. Watkins III graduated from the University Of Maryland School Of Medicine in 1997. Dr. Watkins is a cardiologist for Alaska Heart Institute.

REAPPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Robert A. Breffeilh, MD	Active	Ophthalmology and Conscious Sedation
<p>Dr. Robert A. Breffeilh graduated from the Louisiana State University Medical Center in 1979. Dr. Breffeilh is an ophthalmologist at the Tongass Regional Eye Clinic.</p>		
2. John P. Bursell, MD	Active	Physical Medicine and Rehabilitation, Fluoroscopic Guided Spinal Injections
<p>Dr. John P. Bursell graduated from the University Of Washington School Of Medicine in 1992. Dr. Bursell is a physical rehabilitation physician at the Juneau Bone and Joint Center.</p>		
3. Thomas L. Conley, MD	Courtesy	Pediatrics, Pediatric New Born, Umbilical and Arterial Venous Line Vein Catheterization, Neonatal Chest Tube, and Administration of Surfactant
<p>Dr. Thomas L. Conley graduated from the University Of Chicago School Of Medicine in 1969. Dr. Conley is a pediatrician for S.E.A.R.H.C. - Mt. Edgecumbe.</p>		
4. Justine B. Emerson, FNP	AHP	Outpatient Laboratory, Radiology, Physical Therapy, Occupational Therapy, Respiratory Therapy, Infusion Therapy (Ferrlecit), Nutritional Consults, Sleep Studies, and Cardiac Rehab (King of Hearts)
<p>Ms. Justine B. Emerson graduated from the New York Medical College in Valhalla, NY in 1980. Ms. Emerson is a family nurse practitioner for Valley Medical Care.</p>		
5. Steven Greer, MD	Active	Family Medicine w/Obstetrics and

**Chemical Dependency
Detox**

Dr. Steven O. Greer graduated from the University of California - San Diego in 1985.
Dr. Greer is a family medicine physician for S.E.A.R.H.C. - Alder.

6. Maureen P. Longworth, MD Courtesy

**Family Medicine
w/Outpatient Laboratory,
Radiology, Physical
therapy, Occupational
Therapy, Nutritional
Consults, Palliative Care,
and Holistic Medicine**

Dr. Maureen P. Longworth graduated from the University of CA at San Francisco School of Med in 1984. Dr. Longworth is in family medicine physician at AK Holistic Family Medicine and Southeast Medical in Juneau.

7. Julie A. McCormick, MD Courtesy

**Internal Medicine and
Exercise Stress
Treadmill**

Dr. Julie A. McCormick graduated from the University of Washington School of Medicine in 1996. Dr. McCormick is a family practice physician at the Providence Outpatient Clinic - Anchorage.

8. Joy M. Neyhart, DO Active

**Pediatrics, Pediatrics
Newborn, Arterial and
Lumbar Puncture**

Dr. Joy M. Neyhart graduated from the University of Medicine and Dentistry of NJ in 1997. Dr. Neyhart is in pediatrician at Rainforest Pediatrics in Juneau.

CLOSURE OF FILE: None

REQUEST FOR WITHDRAWAL: None

REQUEST FOR ADDITIONAL OR EXPANDED PRIVILEGES: None

CHART REVIEW: None

REQUEST FOR CHANGE OF STAFF STATUS:

1. William Richey, MD – Active to Courtesy

LOCUM TENENS:

1. **Donald Marquardt, MD** – (Self; Family Medicine w/Obstetrics and 4th Degree Repair)

LEAVE OF ABSENCE: None

MEDICAL RESIDENT: None

PHYSICIAN ASSISTANT STUDENT: None

MEDICAL STUDENT: None

DIRECT ENTRY MIDWIFE STUDENT: None

OTHER: None

Lennie Gorsuch made a MOTION to approve the Credentials Committee Report as presented. Loren Jones seconded the motion and it was approved.

COMPLIANCE REPORT – John Wray reports;

Loren Jones made a MOTION to go into Executive Session at 5:21 p.m. to discuss the Compliance Report. Kevin Sullivan seconded the motion. Motion passed unanimously.

The Board came back in session at 5:40 p.m. and no action was taken.

Dr. Malter asked what the process is when following up with a physician complaint. Cathy Carter stated that now that the format is electronic, the follow-up is immediate with all parties involved. The med/staff has asked that Therese Thibodeau get in contact with the physician to close the file.

CEO MONTHLY REPORT – Shawn Morrow reports;

Patient Satisfaction/Clinical Quality

- Patient Satisfaction Score's fast climb to make it up over the state average has now leveled off. We continue to experience improvement from quarter to quarter though movement seems to now be progressing at a slower yet steady pace.
- A proposal for performing a Community Survey will be moving through committees over the next two months.

Cultural Transformation

- Management reported progress on the culture action plan through the planning committee this month. Everything is on schedule.
- A child care center is part of our long term recruitment and retention strategy. An RFP to solicit possible operators went out this month.

Financial Strength

- Net loss for December was (\$345,976). Year to date net margin is 7.17%.

Service Line Expansion

- An RFI for Cardiologist Recruitment should be finalized by the end of next week.
- An Oncology Services Steering Committee will be formed in the next two weeks. They will develop criteria for evaluating Oncology Feasibility Study Services.

Medical Staff Development

- Hospitalist Program Evaluation: Medical Staff survey will be developed and sent out this month.
- Dr. Mike Saltzman, Urologist, will be here in March. You will see a few agenda items on this month's agenda related to establishing his practice in Juneau.
- Psychiatrist recruitment is still underway with no progress to report.
- The ED Physicians (JEMA) contract expires in May, but they have requested that the contract be renegotiated early. This process is underway.
- See Service Line Expansion for Cardiology and Oncology Services.

Community Engagement

- Bartlett initiated a council of agencies/stakeholders to work on Substance Abuse Care in Juneau. The council had an organizing meeting and then its first official meeting in November. This committee met again in January and has now formed a small subcommittee assigned to flow chart the substance abuse care process from the perspective of the patient and coordinating agencies. The intent is to identify where care breaks down either due to systems and processes or simply lack of particular services.
- Bartlett employees adopted 6 families, providing Christmas gifts, food etc. for each family.
- Due to the efforts of Betty Stidolph and the good hearts of Bartlett Employees over 1500 pounds of food was gathered and donated to the Food Bank this year.

Key Vacancies

- Patient Admission Services Manager

QHR REPORT – Shawn Morrow reports;

- Stephen Wickham, ED Assessment: On site December 8-9 to observe ED Processes that impact the patient experience, staffing levels, productivity benchmark data, and throughput.
- Susan Sanders, QHR AVP Nursing Services: Phone consult regarding Blueprint for nursing and to discuss CNO development seminar information.
- BRH Director Community Relations: Accesses Qsphere.com about three times per week to use the Marketing Guide and Online Networking Q&A section, Calendar of Health Observances, and PR News Digest.

- David Perry, QHR AVP Health Finance and Reimbursement: Consultation with CFO about treatment of ED Revenue on the Cost Report and Medicaid rate setting.
- Kathy Aldridge, QHR regarding Case Management workload statistics, benchmarks, productivity, and staffing. CEO/CFO Monthly Operating Review: This meeting consists of review on contract obligations, operating indicators, and strategic priorities. The purpose of the review is to ensure QHR is matching its resources with Bartlett's needs.
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- David Perry, QHR AVP Health Finance and Reimbursement: Information gathering for semi-annual contractual and bad debt review. Carla Wallace. QHR Director of Compliance: Inquiry regarding compliance training in May.
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- Multiple emails concerning educational offerings, benchmark data reports, reimbursement and legislative advisories, federal grant advisories, strategic trends, RAC audits, productivity system etc
- QHR Webinar: How to Make Information Technology Decisions. Attended by Robert Storer, Loren Jones, Reed Reynolds, Garth Hamblin, and Shawn Morrow.

EXECUTIVE COMMITTEE – Nate Peimann reports;

Office Renovation Bridge Loan - Reviewed and discussed bridge loan of \$100,000 to Dr. Mike Saltzman for use of leasehold improvements at Dr. Singaas old office. Staff recommends adoption by the Board.

Dr. Peimann made a MOTION to approve the bridge loan to Dr. Saltzman in the amount of \$100,000. Kevin Sullivan seconded the MOTION. The MOTION passed by a unanimous roll call vote.

Office Equipment Loan - Reviewed possible need for loan for office equipment by Dr. Saltzman. No specifics at this time. The Board members that were present expressed desire for short term loan with plan for near-term repayment rather than lease-to-own agreement.

Billing Agreement - Reviewed and discussed entering a billing agreement between BRH physician billing services and Dr. S. Parker. Staff recommends adoptions.

Dr. Peimann made a MOTION to approve the billing contract with Dr. Parker and BRH. Kevin Sullivan seconded the motion. The MOTION passed by a roll call vote of eight in favor and one abstention.

SCIP Measures VTE Prophylaxis - Reviewed current plan and discussed that this would be reviewed and followed by the Quality Committee.

JOINT CONFERENCE COMMITTEE – Loren Jones reports;

Bylaws - Dr. Peimann discussed the Bylaw revisions with MSEC. He asked when they thought it would be complete. Dr. Sheufelt thought about 9-12 months. Dr. Sheufelt would like Bethany Rogers to help with work on the Bylaw revisions.

Disruptive Physician Behavior - Dr. Peimann asked how cases of disruptive physician behavior are being handled. Dr. Welling stated they have an intervention with the physician as well as inviting other members such as a nursing representative and other physicians that have had a history with the disruptive physician. Then they make a plan with that physician. So far the process is working. The Physician Wellness Committee will be working to help prevent this from becoming a bigger issue. The Committee agreed knowing and following the established guidelines need to be taken to prevent this behavior from continuing. Also, ***the Medical Executive Committee agreed to evaluate and update the policy handling disruptive physician. They will report back to Joint Conference Committee in April with updates to their policy.***

Dr. Peimann will follow up with Bethany regarding communication to the medical staff about the new occurrence reporting system on Meditech.

QUALITY COMMITTEE – Dr. Peimann reported on the Quality Dashboard Indicators. The Committee reviewed a letter from Dr Schlicht outlining that they have adopted First Assist Recommendations of the American College of Surgeons.

Report of Med-exec action on formation of Physician Wellness Committee in April 2010 Revisit committee Structure, is there a med-staff policy to deal with disruptive physician, impaired physician and other “wellness” issues in July 2010. Report Matrix to Board with explanation of numbers;

Incorporate into monthly Board Quality Dashboard. Also, include Composite Measure of Patient Satisfaction in Board Dashboards; Include COMPOSITE Score for Core Measures of all 4 Groups. Include IHI Global Trigger Measures (Three measures) Mortality Matrix. We will review potential of adding experience of patients and/or families in August 2010.

Discuss with all surgeons affected by this policy to clear up any misconceptions and lead to proper implementation of VTE Prophylaxis measures in an OR Committee forum.

PLANNING COMMITTEE – Lennie Gorsuch reports;

Lennie asked the Committee to discuss agenda items for the year.

The committee agreed to change the time for the Planning Committee meeting to Noon on the second Wednesday of the month.

Shawn went over the Annual Business Plan. The Diagnostic Imaging manager has started a pilot program for Leadership Rounding. The timeline for this is March 2010. It is going very well. Debbi and Shawn will report progress back to the Committee. There are a couple amendments to the Plan, one being under Service Line Availability Expansion Behavioral Health Feasibility revisit, should read February, not January 2010. Under Community Engagement it should read Housecalls will go out quarterly, not monthly. Also, per Dr. Malter, Shawn added moral under Cultural Transformation. **Lennie Gorsuch made a MOTION to accept the Annual Business Plan as amended. Loren seconded the motion. The MOTION passed unanimously.**

Jim Strader discussed a proposal from the McDowell Group regarding conducting a Community Opinion Survey. The cost is approximately \$18,500. This would include surveying 300 homes in Juneau and 150 households in Haines, Petersburg, Skagway, Gustavus, Hoonah, Pelican and Angoon. This survey will be conducted by phone. The Committee would like to have another proposal to compare. Also, we need to find out what the process is to move forward. Jim will continue to work on this.

Shawn discussed the Culture Improvement Plan as asked for by the Committee. Some of the information is as follows;
Bartlett will use interdisciplinary teams of front line workers as its primary source of problem solving and innovation. In-house facilitators will be trained in the methodology and will facilitate each chartered team.

Bartlett will accelerate training, development, and teambuilding for the Management Team (this consists of Managers and Senior Leaders). Education regarding the interdisciplinary team methodology will occur through formal education for all Managers (see timeline above).

Board Training - Loren and Toni will continue to work together on the Board Education schedule. Loren reminded the committee that at the retreat last fall the Board supported the idea of having all or most of the Board attend a seminar together and stay an extra day for a retreat to discuss what they got from the training.

Lennie suggested that we begin lining up a speaker to come to Juneau to provide an impact analysis of the National Health Care Bill when/if it passes and that that speaker is made available to local officials and citizens.

Dr. Peimann asked that the past Chair and the current Chair form a sub-committee to discuss Board development. The Committee thought that was a good idea.

Daycare Center – The RFP for the Daycare Center is going out soon. It will cost about \$600,000 to renovate the space. The Foundation plans on raising \$250,000 to help with this project.

DRG's – Garth provided information on the DRG's which included three reports. The first report is discharge data summarized by service areas of where people live. The second report is the Borough report sorted by patients that live in Juneau. The third

report is hospital specific. Dr. Peimann asked for Garth to pull the statewide report and do a spreadsheet that covers the information from the three reports.

Dr. Peimann asked for a timeline to be provided on past agenda items.

CBJ Lobbyist –Garth and Shawn met with the CBJ Lobbyist John Roots to discuss major capital projects for FY2011. It was suggested by the Committee that a similar meeting with the City’s State lobbyist Clark Gruening would be beneficial.

FINANCE COMMITTEE– Dr. Malter reports;

November 2009 Financial Results

Notable Financial Events

- ❑ Mental Health Unit over budget in census and revenue
- ❑ General Surgeon revenue not meeting budget
- ❑ Operating Room under budget in census and revenue
- ❑ One-time bad debt write-off

Operating results for December show total patient days over budget. Inpatient Revenue was just under budget while outpatient revenue was 2.6% under budget leading to total revenue 1.6% lower than budget. Revenue deductions were 10.9% over budget. Total Operating Expenses were 9.2% over budget. For December, Net Loss of \$345,976 was \$700,918 under budget.

Our Operating Cash balance is \$7,157,519 as of the end of the month, a decrease of \$1,572,552. We made the Project 2005 Bond payment of \$1.2 million this month.

Year-To-Date for our Fiscal Year 2010

Financial

- Total Revenue of \$52,849,000 is 4.2% over budget
- Revenue Deductions of \$11,660,711 is 12.7% over budget
- Net Revenue of \$41,188,289 is 2.1% over budget
- Total Operating Expenses of \$39,235,251 is 0.6% over budget
- Net Income of \$2,954,700 is \$788,268 over budget

Statistics and Indicators

- Patient Days of 5,974 are 2.3% over budget
- Admissions of 1,191 are 11.3% under budget
- ER Visits of 6,865 are 0.2% under budget
- Staff Hours per Adjusted Patient Day is 3.28% over budget
- Net Margin is over budget by 1.81%
- Productivity is 99
- Overtime Percentage is 4.50%

Meeting with CBJ Washington DC Lobbyist

The Committee reviewed a list of projects for next fiscal year and into future years that was discussed with CBJ Manager, Rod Swope, and representatives of the firm that works with the Congressional Delegation on CBJ issues. Items that were identified for consideration for Federal financial support are 3rd Floor patient room renovation and maintenance projects – roof replacement, siding painting, and elevator upgrades.

Dr. Saltzman, Urologist

The Committee reviewed a number of items related to the recruitment of Dr. Saltzman's recruitment.

Office Renovation Bridge Loan – the Board Executive Committee previously approved a short term “bridge loan” to allow work to be on preparing the office space Dr Saltzman is leasing for his practice.

Office Equipment Loan - Dr Saltzman has requested assistance, short-term loan, for purchase of equipment for use in his office. First requested purchase is \$36,760 for Cystoscope. Purchasing through Bartlett also allows favorable pricing through QHR / HPG purchasing agreements.

Dr. Malter made a MOTION to approve the expenditure of \$36,760 for the Cystoscope. Bob Storer seconded the motion. The MOTION passed by a unanimous roll call vote.

OR Equipment Requests - Dr. Saltzman has requested various additions / replacements of OR equipment for use as he enters Urology practice in Juneau. Total of requests is \$300,105. Funding would come from “Surgical Services – instruments and equipment” line of Capital Budget. This will bring total expended year-to-date to \$475,000 - \$75,000 over the amount budgeted, but is recommended to meet the recognized need to have a Urologist in Juneau. Motion was made and passed to recommend to the Board approval of \$300,105 expenditure as recommended.

Dr. Malter made a MOTION to approve the expenditure of \$300,105 for OR equipment for Dr. Saltzman to perform procedures. Kevin Sullivan seconded the motion. The MOTION passed by a unanimous roll call vote.

Medicaid Rate Appeal

Alex Malter did not participate in the discussion or vote due to his work with the State of Alaska.

We have had Medicaid rates for Fiscal Years 2002, 2003, and 2004 under appeal for some time. We prevailed on some issues in a suit in Federal Court. The State has now offered to settle remaining issues for \$846,000. This is close to the amount that we compute as being due. Recommendation is to settle these outstanding appeals, after making sure of impact / no adverse impact on future rates.

Bob Storer made a MOTION to accept the settlement of Medicaid Rate Appeal as presented in the amount of \$846,000. MOTION passed by a roll call vote of eight in favor and one abstention.

FY 2011 Budget Preparation

Managers are now working on Capital and Operating Budgets for Fiscal Year 2011 which begins July 1, 2010. The Finance Committee usually sets a budget work session in March and has a draft budget for consideration at its regular meeting in March. Committee raised issues about rate increases, how rates are compared to other facilities and established. Senior leadership was encouraged to develop a budget requiring smaller rate increases than those implemented in recent years.

Land Acquisition

Not much new to report – staff is moving forward with appraisal of land.

Healthcare Costs / Reform

There continues to be a lot of news and uncertainty about healthcare reform might look like in the end.

RAC & MIC Audits / Preparations

Our team meets monthly to monitor news / information. There are no specific / active issues with either at this time.

JEMA Contract Renewal / EGO Coding of ED Accounts

Our Emergency Department physician group, Juneau Emergency Medical Associates, has asked about early renewal of their contract. We have begun discussion about terms to include performance measures. They have contracted with EGO to do coding of ED charts. We are providing the data and are also considering their services. ED Nursing staff would no longer generate charges including level of care charges. Such an arrangement would have EGO using ED staff's documentation for coding and charging. This would free some time for ED staff for patient care. Any fees paid to EGO would appear to be more than offset by improved charge accuracy and consistency.

Computer Server Room on Emergency Power and Replace UPS (uninterruptible power supply)

Our main network components – servers and switches – are on emergency power. The air conditioning unit in the main server room is not. During a power outage the room gets very warm very fast and we run the risk of systems going down or of losing expensive systems. Recently one of our UPS units failed and replacement batteries can no longer be purchased. Recommendation is spend \$41,372 from Capital Reserve Fund to provide emergency power for air conditioning unit, replacement of one UPS unit, and purchase of a second UPS unit to allow more division of the network equipment load.

Dr. Malter made a MOTION to approve an expenditure of \$41,372 for the purchase of an Emergency Power for Air Conditioning Unit. Reed seconded the motion. The MOTION passed by a unanimous roll call vote. The funds are to come from the Capital Reserve Fund.

Rainforest Recovery Center is requesting grant funds from the Alaska Department of Health and Social Services Capital Grant program for Essential Program Equipment for agencies serving individuals with chronic alcoholism with psychosis, Alzheimer's disease or related disorders, developmental disabilities, mental illness. This is a joint program with DHSS and Alaska Mental Health Trust Authority. RRC plans to use funds to purchase equipment to enhance communication, safety and security in the Emergency Services Patrol Sleep Off facility. The equipment will establish a watch station in ESP which will improve the staff coverage and efficiency for the entire RRC facility.

Equipment request includes:

- Communications
- VHF base station radio located in ESP with two remote control heads for RRC watch station and ESP; Four hand held radios for EMTs to communicate with ESP van and within the facility
- Safety and Security
- Access to video feed from watch station (WHAT equipment provides this?); door release for back door with intercom, telephone handset for back door for access; cabinet with clear doors for EMT equipment.
- Client Safety
- Equipment to better aid and monitor clients (vital signs monitor, stethoscopes, airway adjuncts, manual suction, first aid kit, new AED and cabinet, non-skid pad for shower area and rails and padding for sleeping area).

Dr. Malter made a MOTION to approve the Essential Program Equipment Resolution. Loren seconded the motion. The MOTION passed unanimously.

PHYSICIAN RECRUITMENT COMMITTEE – None

RRC ADVISORY BOARD – Loren reports;

- New Board member - There is one potential for the RRC Advisory Board.
- NCADD recommendation - The Board accepted the recommendation to have a member from NCADD to come to the Advisory Board meetings. That person will not have any voting rights.
- Election of Officers – The election of Officers will be held at the February meeting.

BARTLETT FOUNDATION- Kevin Sullivan reports;

- Circle of Friends – The Foundation had delivered circle of friend's flyers that generated approximately \$13,000 in donations.
- CCS Condo – BRH has purchased the condo from the Foundation which Catholic Community Services resides in.

- Blue Heron Gift Shop – December was the biggest financial month for the gift shop.
- Click Pick & Give – When applying for your PFD, you can now donate a portion of it to the Foundation with the Click Pick and Give campaign.
- AK Women’s Expo – The first Alaska Women’s Expo will be on Saturday, January 30th at Centennial Hall. There will be a bunch of different vendors/booths set up.
- Fahrenkamp Fundraiser – The Fahrenkamp golf fundraiser will take place once again this year. Look for it around the end of February or the beginning of March.
- New Board Member to sit on Foundation Board. – Bob Storer is considering taking Kevin’s place on the Foundation Board as a Bartlett representative.

OTHER BUSINESS

Kevin gave a five minute synopsis of the book, Why Hospital’s Should Fly. Kevin also gave a brief overview of his conference he recently attended put on by The Governance Institute.

BOARD COMMENTS

Linda would like to have a future discussion about bringing RRC under an umbrella of the hospital.

There was a lengthy discussion on how to respond to complaints that come into the Board. Dick Monkman checked and there is no formal process for handling these types of letters.

Linda asked the Board to think about a process on how to respond when letters come in addressed to the Board members. A couple of ideas were to either have 1.) The Chair appoints someone to help write the response. 2.) Look to Administration to have a recommendation and draft a response letter. Shawn suggested that our Community Relations Director, Jim Strader, draft a short response letter for Dr. Peimann to review. That idea was acceptable to everyone.

Kristen thanked Loren for his two years of serving as the Board Chair and gave him an engraved gavel.

Shawn announced the QHR Trustee Conference in March.

Meeting adjourned at 7:52 p.m.

Kevin Sullivan, MD, Secretary