

Bartlett Regional Hospital

BOARD OF DIRECTORS
February 23, 2010
Robert F. Valliant Center Boardroom
Minutes

CALL TO ORDER

Nathan Peimann called the meeting to order at 5:15 p.m.

Present

Nathan Peimann, MD	Kristen Bomengen
Kevin Sullivan	Loren Jones
Reed Reynolds	Dr. Alex Malter
Linda Thomas	

Absent

Robert Storer	Lennie Gorsuch
---------------	----------------

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.	Bill Henning, QHR

ROLL CALL

Dr. Peimann amended the agenda to include an Estes Park report and the Mortality Matrix.

PUBLIC PARTICIPATION – None

APPROVAL OF MINUTES – *Loren Jones made a MOTION to approve the January 26, 2010 minutes as presented. Kristen Bomengen 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. John E. Pappenheim, MD	Active	Psychiatry, Child/Adolescent Psychiatry, and Chemical Dependency Detox

Dr. John E. Pappenheim graduated from the Medical College of Wisconsin in 1985. Dr. Pappenheim is a Psychiatrist for Bartlett Outpatient Psychiatric Services and the BRH Mental Health Unit.

REAPPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Sarah Grace B. Alvarez, MD	Active	Spruce; Family Medicine w/Obstetrics and Cervical Laceration

Dr. Sarah Grace B. Alvarez graduated from the Brown University School of Medicine in 2003. Dr. Alvarez is a Family Medicine physician for S.E.A.R.H.C. – Spruce.

2. Nathaniel L. Haddock, MD	Active	Family Practice Physicians; Internal Medicine, Exercise Stress Treadmill, Conscious Sedation, and IV Cardiac Testing
-----------------------------	--------	--

Dr. Nathaniel L. Haddock graduated from the Indiana University School of Medicine in 1997. Dr. Haddock is a Internal Medicine physician for Family Practice Physicians.

3. Charles C. Hoo, MD	Consulting	Teleradiology
-----------------------	------------	---------------

Dr. Charles C. Hoo graduated from the St George University School of Medicine in 2001. Dr. Hoo is a Teleradiologist for Virtual Radiologic Professionals LLC.

4. Melissa A. Hynes, MD	Active	Family Practice Physicians; Internal Medicine and Surgical Assist
-------------------------	--------	---

Dr. Melissa A. Hynes graduated from the Georgetown University School of Medicine in 2002. Dr. Hynes is an Internal Medicine physician for Family Practice Physicians.

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. Anh Lam, DPM – Active to Access to Services

Board of Directors February 23, 2010

LOCUM TENENS:

1. **William C. Bruns, MD** – (Locum Tenens.com; Psychiatry and Chemical Dependency Detox)
2. **C. Lyn Dyles, MD** – (Locum Tenens.com; Psychiatry, Child/Adolescent Psychiatry, and Chemical Dependency)

LEAVE OF ABSENCE:

1. **Amber R. Miller, DO** – Maternity Leave Beginning December 1, 2009 through April 30, 2010

MEDICAL RESIDENT:

1. **Alice Hulebak, MD** – (Alaska Family Medicine Residency Program; Family Medicine Rotation at SEARHC)

PHYSICIAN ASSISTANT STUDENT: None

MEDICAL STUDENT:

1. **Jessica Ford, MSIII** – (University of Washington School of Medicine; 1st or 2nd Surgical Assist, Evaluation Patients Under MD Supervision, round on Patients, Write Progress Notes with MD Co-Signature, Vaginal Births Under MD Supervision/Procedures Rotation at Valley Medical Care and BRH Emergency Department)

DIRECT ENTRY MIDWIFE STUDENT: None

OTHER: None

Linda Thomas made a MOTION to approve the Credentials Committee Report as presented. Dr. Malter seconded the motion and it was approved.

ESTES PARK REPORT – Loren Jones, Cathy Carter, Dr. Welling and Dr. Peimann gave a brief summary on what they took away from the conference.

CEO MONTHLY REPORT – Shawn Morrow reports;

Patient Satisfaction/Clinical Quality

- Patient Satisfaction Score's continue to experience incremental improvement.
- Quality indicators, including core measures continue to be reported through the Board Quality Committee.

Cultural Transformation

- The culture action plan is on schedule. A Performance Improvement Steering Committee has been formed as well as a PI Methodology Selection Committee.

- The Burning Box continues to provide an excellent forum for Q&A. I am also periodically attending department staff meetings as another venue to stay in contact with employees.
- Additional changes are being made to increase our PRN pool through developing a PRN preceptorship program for new graduates. Bartlett would hire every new graduate from UAS, preceptor them as a PRN for six months and then place them in the PRN pool. The PRN pool is critical to reducing overtime, employee burnout, and realizing the goal of zero travelers.

Financial Strength

- Net income for December was \$533,800. Year to date net margin is 7.27%.

Service Line Expansion

- An RFI for Cardiologist Recruitment should go out to various cardiology groups next month.
- An Oncology Services Steering Committee will be formed in the next few weeks. They will develop criteria for evaluating Oncology Feasibility Study Services.
- A portion of the feasibility study for Child and Adolescent Mental Health Unit is complete – showing that a need still exists for a 9-13 bed unit. The financial feasibility portion will be complete in April.

Community Engagement

- The Community Survey RFP will go out this month.
- The Substance Abuse Care in Juneau Group (which Bartlett initiated) concluded its work of identifying gaps in substance abuse services in Juneau.
- We sponsored and advertised or supported the following local organizations this month. JDHS jumpers, JDHS Football, Gavel to Gavel, Alaska Women's Expo (hospital foundation event).
- Continued participation at Chamber of Commerce Meetings, UAS Advisory Council, and various Civic Groups.

Medical Staff Development

- Continue to recruit for a Psychiatrist and will soon begin recruitment of a Cardiologist.

- The Medical Staff will be surveyed by the end of this month regarding a Hospitalist Program and Radiology Services.
- Bartlett continues to support the Medical Staff bylaws rewrite by providing resources as requested. The Medical Staff Executive Committee requested Horty Springer to handle the rewrite of the disruptive behavior portion of the bylaws for a cost of \$7,500.
- Work continues on negotiating a new agreement with JEMA (the Emergency Department Physicians).
- Allied Health Professionals (not PA, NP, Naturopaths, or Midwives) are being moved out of the Medical Staff's credentialing process and into BRH's HR Department per the Medical Staff's request. Positions being removed include positions such as Physical Therapists, RNs, etc. Legal Counsel has suggested one minor change to our draft policy. The new policy will come before the Board in March.

QHR REPORT – Bill Henning reports;

Consultations

- Stephen Wickham, ED Assessment: Conducted follow up presentation on February 12th with ED Physicians, Staff, and Management to review MAP and discuss areas of concern.
- Erika Sundrud, QHR Performance Management: Phone discussions in preparation for tailoring three two hour webinars for PI Methodology Selection Committee.
- 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 of Finance and Reimbursement: Contractual and Bad Debt Review.

QHR Safety Net Services

- 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.
- CEO/CFO Monthly Regional Conference Call: Opportunity to network with 15 other hospitals, ask questions, and share information.

- Carla Wallace, QHR Compliance Director and Sarah Getsay QHR Legal Counsel Webinar: Webinar on February 26th to review best practices for hospitals associated with OIG and Justice Department's recent increased scrutiny of hospitals.

Other Activities by QHR

- Carla Wallace. QHR Director of Compliance: BRH Compliance Officer requested and received information from the QHR Compliance Director regarding HIPAA Privacy Rule question
- Multiple emails concerning educational offerings, benchmark data reports, reimbursement and legislative advisories, federal grant advisories, strategic trends, RAC audits, productivity system etc.

Bill announced that QHR is having a HR conference in Spokane in April. They are going to start having more middle management conferences.

EXECUTIVE COMMITTEE – Dr. Peimann reports;

Dr. Peimann introduced the concept that at March's Meeting, during executive session, Board members will discuss the current state of the CEO as it relates to job expectation by all Board members. Specific feedback will be shared between Board Chair and CEO immediately following the meeting. Then again in June, the same discussion.

The Board manual will be reviewed by the Executive Committee.

An email account for Board members will be set up and checked by Toni Petrie. She will then forward them to the appropriate people.

JOINT CONFERENCE COMMITTEE – No meeting

QUALITY COMMITTEE – Loren Jones reports;

The Quality Dashboards and Mortality Matrix were reviewed.

PLANNING COMMITTEE – Loren Jones reports;

Loren mentioned we should have estimates in mid March or early April on the 3rd floor renovations.

A sample RFP was looked at. Jim Strader spoke with CBJ to find out the process for sending this out. He anticipates that the RFP will go out with a response date of March 26, 2010.

The Market Feasibility Study Update was reviewed for the Child and Adolescent Acute Psychiatric Intervention Service.

Shawn has identified the Performance Improvement Steering Committee. It will consist of twenty-two people. QHR has agreed to provide webinars for this committee to review the four or five process that are out there. Each member of the committee will have their score sheets during this time so they can complete these at end of webinars

Loren and Nate met to discuss what we may need to accomplish or plan for. Some of the discussion was around Board training on the PQI (Performance Quality Improvement) process chosen by the committee discussed above.

Loren requested to have a work session to discuss the Annual Business Plan. That will take place the first week of March.

FINANCE COMMITTEE – Kevin Sullivan reports;

Committee Education - Productivity

The Committee reviewed and discussed a presentation on our productivity monitoring system

January 2010 Financial Results

Notable Financial Events

- Mental Health Unit over budget in census and revenue
- Pharmacy revenue not meeting budget
- \$1.9 million DMHDD funds received

Operating results for January show total patient days over budget. Inpatient Revenue was 6.9% over budget while outpatient revenue was 1.9% under budget leading to total revenue 1.6% higher than budget. Revenue deductions were 3.8% under budget. Total Operating Expenses were 1.1% over budget. For January, Net Income of \$533,800 was \$134,503 over budget.

Our Operating Cash balance is \$9,028,895 as of the end of the month, an increase of \$1,871,376. We received \$1.9 million in DMHDD funds for FY10 this month.

Year-To-Date for our Fiscal Year 2010

Financial

- Total Revenue of \$61,207,747 is 3.9% over budget
- Revenue Deductions of \$13,236,292 is 10.4% over budget
- Net Revenue of \$47,971,455 is 2.2% over budget
- Total Operating Expenses of \$45,626,741 is 0.7% over budget
- Net Income of \$3,488,500 is \$922,771 over budget

Statistics and Indicators

- Patient Days of 6,930 are 2.9% over budget
- Admissions of 1,388 are 10.6% under budget
- ER Visits of 7,979 are 0.6% over budget
- Staff Hours per Adjusted Patient Day is 4.07% over budget
- Net Margin is over budget by 1.81%
- Productivity is 99
- Overtime Percentage is 4.30%

Kevin Sullivan made a MOTION seconded by Dr. Malter to accept the Financial report. Motion passed unanimously.

Kevin Sullivan made a MOTION seconded by Kristen Bomengen to transfer \$3,225,000 from Operating Cash to our Future Facility Fund. The motion passed by unanimous roll call vote.

Child / Adolescent Mental Health Unit

The Committee reviewed an outline of steps in moving forward with re-evaluation of feasibility of Child / Adolescent Mental Health Unit. They also received the updated "Market Feasibility" done by Diamond Healthcare.

QHR Consulting Plan

****The Committee accepted the QHR Consulting Plan.****

QHR Emergency Department Assessment

The Committee reviewed and discussed the report and Management Action Plan for the ED Assessment conducted in December 2009. The consultant has made a presentation of his findings and recommendations. A team has begun meeting to review and consider implementation. The report will go to Planning Committee and be reported on in April.

Land Acquisition

The Committee received a summary of the recently completed appraisal. Recommendation is to move forward with entering into a purchase agreement for the property. A concern was raised about any issues not found in the environmental assessment work which may be discovered in the future and options for remediation by the seller. There was discussion about the need to review reasons to purchase the land – future use / needs. Shawn gave a power point presentation on the surrounding area of the hospital.

Linda Thomas made a MOTION seconded by Kristen Bomengen to go into executive session at 7:20 p.m. to discuss the finances of the hospital. Motion passed with 6 in favor and 1 against. The Board came out of executive session at 7:40 p.m. no action was taken.

Kevin Sullivan made a MOTION seconded by Reed Reynolds to authorize Shawn Morrow to work on a purchase agreement with Holland America and bring it back to the Board for review. MOTION passed by a roll call vote of 5 in favor and 2 against.

Medicaid Rate Appeal

Check for resolution of Medicaid rate appeals was received in February and will be reflected in February financial results.

FY 2011 Budget Preparation

The Committee decided to have a budget work session at 5:15 pm on March 16. The regular Finance Committee will be moved to 5:15pm on March 18.

Healthcare Costs / Reform

Efforts are still being made to get an extension to the Rural Community Hospital Demonstration Project.

RAC & MIC Audits / Preparations

We have had one request for one record from HDI – our Recovery Audit Contractor. Our team continues to meet monthly to monitor news / information.

API Healthcare – PayrollMation and ActiveStaffer

We have begun parallel run testing of our new time clock and scheduling software.

The Committee asked that we include, as available, updates on CT replacement and Same Day Care project work.

PHYSICIAN RECRUITMENT COMMITTEE – No meeting

RRC ADVISORY BOARD – Loren reports;

An application was received for the Advisory Board. Jason Burke is the new Chair of the Advisory Board.

Loren Jones made a MOTION seconded by Dr. Malter to accept the application. MOTION passed unanimously.

BARTLETT FOUNDATION- Shawn Morrow reports;

The Alaska Women’s Expo fundraiser put on by Michelle Shaw went very well. They made approximately \$5,000.

OTHER BUSINESS

Dr. Peimann announced the major upcoming issues before the Board. QHR Contract, Labor Contract Negotiations, Steering Committee, Budget and Annual Business Plan.

The March calendar was reviewed and the following changes were made; March 1st Executive Committee was moved permanently to the first Monday of the month. March 4th at 5:15 a work session for the Annual Business Plan was added. March 16th at 5:15 a work session for the budget was added and the Finance Committee was moved to March 18th at 5:15 p.m.

Dr. Malter made a MOTION to adjourn at 8:12 p.m.

Kevin Sullivan, Secretary