

Bartlett Regional Hospital

**BOARD OF DIRECTORS
March 24, 2009
Robert F. Valliant Center Boardroom
Minutes**

CALL TO ORDER

Loren Jones called the meeting to order at 5:16 p.m.

Present

Loren Jones
Dr. Nate Peimann
Reed Reynolds
Kevin Sullivan

Linda Thomas
Lennie Gorsuch
Dr. Alex Malter

Absent

Bob Wysocki

Kristen Bomengen

Others Present

Shawn Morrow, CEO
John Raster, M.D.
Toni Petrie, Executive Assistant

Garth Hamblin, CFO
Cathy Carter, CNO
David Stone, CBJ Liaison

ROLL CALL

PUBLIC PARTICIPATION – None

APPROVALS OF MINUTES – Dr. Malter made a **MOTION** to approve the February 24th minutes as presented. **Motion Passed unanimously.**

CEO MONTHLY REPORT – Shawn Morrow reports;

Strategic Initiatives

Fiscal Year MAPs

- The quarterly update of the fiscal year 09 MAP is included in your packet. This document tracks our progress during the year towards stated goals that tie into the strategic plan.
- A draft of the fiscal year 2010 MAP is included in the packet. The Planning Committee did a preliminary review, which resulted in some minor changes. This document needs to be approved by the Board of Directors pending any desired changes.

[1]

Patient Satisfaction/Clinical Quality

- Patient Satisfaction Scores have increased each of the last two quarters.
- Hourly rounding has been implemented in Med/Surg and CCU.
- CMS Core Measure scores are a higher priority under the new Medical Staff Committee structure.
- The Director of Quality position remains vacant. Two candidates were interviewed on site. Based on evaluations neither candidate was hired for the position.
- The hospital has redeployed people from education, infection control, risk management, and information systems and placed them under the director of quality. Two positions are vacant and will take some time to fill. This new hospital structure is designed to better meet physician needs and regulatory requirements from the quality department.

Cultural Transformation

Some Positive Signs/Steps Toward Improved Employee Morale

- The Union Contract – COLA 6%, 4%, 4%.
- The compensation and benefits review has commenced. Four focus group meetings were held. The meetings included a total of 26 Managers and 22 non Management employees. A summary of the initial interviews was shared with the Senior Leadership Team.
- The voluntary turnover rate without travelers has dropped and stayed under twenty percent for the last 9 months. The voluntary turnover rate with travelers has dropped and stayed below 25%.
- Progress is occurring in the two areas that we have had the most difficulty, OR RNs and ED RNs.
- We are now down to 3 travelers and four vacant nursing positions.
- The Management Team (approximately 30 managers) has a retreat in early May. Leadership Rounding is the topic of the retreat education.
- The quarterly all-employee forum was held on Friday, March 20th. These meetings are open forums where the Senior Leadership Team shares information and listens to concerns, feedback, rumors etc.
- Hospital week is coming up and will include several activities and events to promote and highlight the professionalism of our healthcare team.
- This year and next Bartlett has/will invest significantly in Med/Surg nurse certifications and Orthopedic Nurse Certifications. Physician feedback regarding quality of care on Med/Surg has improved significantly over the last 9 months.
- “Give em the Pickle” customer service classes continue with over 250 employees attending in the last 9 months.
- Patient Satisfaction scores have increased in each of the last two quarters – this has some correlation to employee morale.
- A full time Surgical Nurse Educator is included in the FY 2010 proposed budget. This should help in an area of the hospital where morale is weak.

- A come and go ice cream social was held last week.
- 200 Boat Show tickets were purchased and distributed to employees free of charge.

General Factors Working Against Improved Employee Morale:

- The bar has been raised per the organization's dashboard indicators.
- Performance indicators such as overtime percentage and productivity benchmarks are now being tracked and incorporated into budgets.
- Terminations for cause have created some anxiety.
- PERS evaluation.
- Drug Screening Policy evaluation.

Financial Strength

- Net income for February was \$56,851. Net margin year to date is 5.75%.
- We continue to work on reaching targets for overtime, travelers, and productivity. There is incremental progress. Year to date productivity is 99.

Service Line Expansion

- Dr. Pamela Gruchacz will perform Juneau's first Lap Band Bariatric Surgery sometime in March.
- We created a Cardiology Steering Committee that is comprised of five Physicians, three Senior Leaders, and a Board Member. The Steering Committee will evaluate feasibility/business planning firms, help formulate a recommendation for the Board to consider, and then provide advice on roll out of information when it becomes available.

Medical Staff Development

- The Recruitment Committee met in February regarding Psychiatrist recruitment and to review information pertaining to GYN coverage.

Community Engagement

- Eleven Bartlett employees participated in JDHS Career/Job Fair.
- Approximately twelve high school students are participating in the job shadow program at Bartlett. This program runs for three weeks and gives students a chance to observe various healthcare professionals at work.
- We continue to work/serve on various councils and boards and have representation in civic clubs around the community.

Key Vacancies

- Med/Surg Manager: Position filled.
- Quality/Risk Manager: Two candidates were interviewed and the decision made not to hire either one. Interim Manager has extended to April 10th.

- Community Relations Director: Several applicants.
- Information Systems Manager: Several applicants.

QHR Activity

CEO/CFO Monthly Operating Review. This meeting consists of a review on contract obligations, operating indicators, strategic priorities. The purpose of the review is to ensure QHR is matching its resources with our needs.

- Off-site Operating Consistency Review. This audit conducted by the QHR Corporate office was finalized this month. The audit ensures that management is consistently applying QHR best practices of management.
- There have been telephone calls and emails concerning education, benchmark data reports, reimbursement/legislative advisories, federal grant advisories, strategic trends, and compliance issues.
- Mark Dimengo, QHR Surgical Services Consultant provided consultation to BRH’s Director of Surgical Services regarding the need for post op and same day surgery beds in conjunction with the upcoming construction project.
- The Joint Commission Mock Survey will occur in early April. In the event the Joint Commission comes prior to that date we will use the Mock Survey as a follow up tool to ensure we have adequately corrected any deficiencies.

Lennie Gorsuch made a MOTION to go into Executive Session at 5:32 p.m. for the purposes of discussing hospital personnel and finances. Motion passed unanimously.

The Board came out of Executive Session at 6:05 p.m. no action was taken.

NEW APPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Patricia R. Rantos, ANP	AHP	Outpatient Radiology, Laboratory, Physical Therapy, Echo, and Stress Test

Ms. Patricia R. Rantos graduated from the Seattle Pacific University in 1996 . Ms. Rantos is a advanced nurse practitioner for Virginia Mason Medical Center - Cardiology.

2. Daron A. Watts, MD	Courtesy	Family Medicine w/Outpatient Radiology, Laboratory, Physical Therapy, Respiratory Therapy, Occupational Therapy, and Nutritional Consults
3. Dr. Daron A. Watts graduated from the Ohio State University College of Medicine in 1998. Dr. Watts is a physician for U.S.C.G..		

REAPPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Mary J. Owen, MD	Active	Family Medicine w/Obstetrics and 4th Degree Repair
Dr. Mary J. Owen graduated from the University of Minnesota Medical School in 2000. Dr. Owen is a family medicine physician for S.E.A.R.H.C. - Spruce.		
2. William M. Palmer, MD	Active	General Surgery, Lap Chole/Appy, C-Section, Bronchoscopy, Upper/Lower Endoscopy, HBO, Ventral Hernia Repair, Craniotomy, and Craniectomy for Trauma
Dr. William M. Palmer graduated from the Stanford University School of Medicine in 1967. Dr. Palmer is a general surgeon in private practice.		
3. Nathan P. Peimann, MD	Active	Emergency Medicine
Dr. Nathan P. Peimann graduated from the St. Louis University School of Medicine in 1996. Dr. Peimann is a emergency room physician for BRH Emergency Department.		
4. Mark G. Peterson, MD	Active	Family Medicine w/OB, 4th Degree Repair, and D&C
Dr. Mark G. Peterson graduated from the University of Iowa College of Medicine in 1981. Dr. Peterson is a family medicine physician for S.E.A.R.H.C. - Spruce.		
5. Paul A. Peterson, MD	Consulting	Cardiology
Dr. Paul A. Peterson graduated from the Medical College of Wisconsin in 1985. Dr. Peterson is a cardiologist for Alaska Heart Institute in Anchorage.		
6. Suzanne M. Portello, RN	AHP	Case Management
Ms. Suzanne M. Portello graduated from the University of California in San Francisco in 1981. Ms. Portello is a nurse case manager for S.E.A.R.H.C. - Mt. Edgecumbe.		
7. Jon A. Reiswig, MD	Courtesy	Orthopedic Surgery Surgical Assist
Dr. Jon A. Reiswig graduated from the Loma Linda University School of Medicine in 1965. Dr. Reiswig is a physician for Salmon Creek Medical and is semi-retired.		
8. Paul J. Topol, MD	Active	Psychiatry, Child/Adolescent Psychiatry, Chemical Dependency Detox, and Electroconvulsive Therapy

Dr. Paul J. Topol graduated from the St George University School of Medicine in 1999. Dr. Topol is a physician for BRH Mental Health Unit.

9. Constance M. Trollan, ANP AHP Outpatient Laboratory, Radiology, and Respiratory Therapy

Ms. Constance M. Trollan graduated from the Harbor UCLA Medical Center in 1978. Ms. Trollan is a advanced nurse practitioner for Wellspring, Inc..

10. William S. Wood, MD Active Anesthesia

Dr. William S. Wood graduated from the University of North Carolina at Chapel Hill in 1982. Dr. Wood is a anesthesiology for the BRH Operating Department.

11. Iola G. Young, PAC AHP Inpatient Care on SEARHC Patients (Round and Write Orders), H&P, and Outpatient Laboratory and Radiology

Ms. Iola G. Young graduated from the University of Colorado Physician Assistance Program in 1997. Ms. Young is a physician assistant for S.E.A.R.H.C. - Alder.

CLOSURE OF FILE:

1. Robert E. Leeth, ANP – (AHP – Dahl Memorial Clinic; Outpatient Laboratory, Radiology, Physical Therapy, and Nutritional Consults)

REQUEST FOR WITHDRAWAL: None

- 1. Ketan Davae, MD – (Consulting - Virtual Radiology; Teleradiology)**
- 2. Woojin Kim, MD - (Consulting - Virtual Radiology; Teleradiology)**
- 3. Monte E. Zarlingo, MD - (Consulting - Virtual Radiology; Teleradiology)**

REQUEST FOR ADDITIONAL OR EXPANDED PRIVILEGES: None

CHART REVIEW: None

REQUEST FOR CHANGE OF STAFF STATUS: None

LOCUM TENENS: None

LEAVE OF ABSENCE: None

MEDICAL RESIDENT:

- 1. Ulista Hoover, MD – (University of Washington/BRH MHU –Psychiatry; Child Adolescent Psychiatry, Chemical Dependency Detox)**

2. **Karen Ni, MD** – (University of Washington/BRH MHU –Psychiatry; Child Adolescent Psychiatry, Chemical Dependency Detox)

PHYSICIAN ASSISTANT STUDENT: None

MEDICAL STUDENT:

1. **Jeannette Kenny, MSIII** – (University of WA SOM/Valley Medical Care/BRH ER; Evaluation and Treat ER patients under direct supervision (primary care and ER), observe and assist in minor surgery under direct supervision of surgeon, deliver babies and circumcision under direct supervision)

DIRECT ENTRY MIDWIFE STUDENT: None

OTHER: None

Dr. Malter made a MOTION to accept the Credentials Committee report as presented. Motion passed unanimously.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE – Loren Jones reports;

1. **Compliance Quarterly Report:** John Wray gave his quarterly report to the Executive Committee. He highlighted issues related to “Recovery Audit Contractor” process under Medicare and the ongoing education for managers to be implemented in March. We could be seeing requests for records as early as August 2009. Patient Ethics committee has been activated and has been meeting to set up process. We also reviewed the results of the 2008 audits done by Compliance staff.
2. **Policy Approval:** John Wray also presented the committee with Policy language related to authority of the CEO and others related to contracts and Medicare cost reports. Once approved, that policy will be added to the Board’s Policy Manual.
3. **Cath Lab Presentation:** Shawn gave an overview of the presentation that was done by representatives from Fairbanks Hospital to the medical staff and Board.
4. **Drug Screening Policy:** The Executive Committee reviewed the information presented by staff related to the drug screening policies at other hospitals in Alaska as well as the City of Juneau. There was considerable discussion among committee members about the need for, the justification for and problems expected to be addressed by approval of such a policy. This issue has been sent back to the Executive Committee for further discussion.

JOINT CONFERENCE - No meeting

QA – Dr. Peimann reports;

Dr. Peimann discussed how core measures is being implemented and evaluated in the medical staff committees. The QA committee is planning on having Dr. Peimann attend the different medical staff committees to talk to them specifically about what they are responsible for and what the expectations are for improvement. Ann Lovejoy and Dr. Peimann prepared a slide show that he will take to the committee meetings.

PLANNING COMMITTEE – Reed Reynolds reports;

Cardiology

- Received one response to an RFP - \$37,000. After a lengthy discussion, it was decided that more information will become available after the new Cardiology Steering Committee “CSC” has met and reviewed all the documentation.

Dr. Malter made a MOTION to direct the CSC to review the RFP’s and instruct them that if they feel the need to not go forward they will make that a recommendation to the Board. The MOTION failed by a roll call vote of four in favor and three against. The Bylaws require at least five votes to pass.

Construction Update

- Project – can begin moving mid-April, PT/OT to move by mid-May, 3rd floor around June-July.
- Denali Commission – in town next week for meetings – invited to lunch and tour at BRH
- Med/Surg/Same Day Care Project – Design phase is finalized. There are issues with day surgery concerning the layout and lounge v. storage. Expect bids next with construction to begin in January 2010.

Laundry Services

Current vendor has gained an extension through December with the prison – therefore there is time to consider alternatives. The current cost per pound is \$1.05 -1.15 whereas it is estimated that BRH can operate the laundry for approximately \$.47 per pound with an initial capital investment of \$230,000. These estimates will be firmed up for the April board meeting.

- An effort will be made to identify all potential providers.

MAP

- Discussed thoughts for follow-up on rounding, quality measures, scope of behavioral health plans, the terms “implementation” in the area of language/cultural transformation and “harvest” under cultural transformation.
- Cathy reported the mentoring program did not work. Will be assessing.
- Rounding is now in the formative stage.
- Loren provided an excellent comparative study of the MAPs for FY’09 and FY’10. Of two possible clinical enhancements, cardiology cath and oncology, oncology was dropped from MAP – Loren inquires why? Loren also wondered why women’s health services had been dropped?

- Discussed the use of a group from Providence Hospital to support a program involving special medications and telemedicine for stroke treatment. Suggested a service line expansion to include this program.
- Discussed behavioral health, the Rainforest building, the stimulus plan and the Denali Commission.

FINANCE COMMITTEE –Garth Hamblin reports;

February 2009 Financial Results

Notable Financial Events

- Lower than expected volume in all inpatient areas except Obstetrics
- High Outpatient Revenue in Physician Surgical Services and Operating Room
- High Bad Debt Expense as accounts age past 150 days

Summary

Operating results for February show total patient days under budget. Inpatient Revenue was 7.2% under budget while outpatient revenue was 7.2% over budget leading to total revenue slightly over budget. Revenue deductions were 6.5% under budget. Total Operating Expenses were 4.6% over budget with high Bad Debt expense. For February, Net Income of \$56,851 was \$101,343 under budget.

Our Operating Cash balance is \$7,221,194 as of the end of the month, an increase of \$1,620,929. Year-To-Date for our Fiscal Year 2009

Financial

- Total Revenue of \$62,360,151 is 1.9% under budget
- Revenue Deductions of \$12,259,256 is 7.2% under budget
- Net Revenue of \$50,100,895 is 0.5% under budget
- Total Operating Expenses of \$48,373,090 is 1.0% under budget
- Net Income of \$2,881,014 is \$286,427 over budget

Statistics and Indicators

- ER Visits of 9,002 are 7.3% under budget
- Staff Hours per Adjusted Patient Day shows a positive variance of 0.4%
- Net Margin is over budget by 0.60%
- Productivity is 99
- Overtime Percentage is 4.89%

Kevin Sullivan made a MOTION to transfer of \$2 million from Operating Cash to Future Facility Fund. The MOTION passed by a unanimous roll call vote.

Operating Room Equipment Requests

The Committee reviewed information provided with requests for 2 items for Operating Room – Versatrac Lumbar Spine Retractor System, costing \$20,090.00

Anesthesia Machine, costing \$68,418.00

Kevin Sullivan made a MOTION to purchase a Versatrac Lumbar Spine Retractor System and an Anesthesia Machine for OR as presented – combined cost is \$88,508. The MOTION passed by a unanimous roll call vote.

FY 2010 Budget

The Committee resumed work on the FY 2010 Budget including updated numbers / assumptions, comparative financial benchmarks, comparative rate / charge information, rate / charge increase scenarios, and comparison of capital budgets.

Garth Hamblin gave a power point presentation on the draft budget.

Kevin Sullivan made a MOTION to approve the Operating Budget as presented with 10% rate revenue increase. The MOTION passed by a roll call vote of six in favor and one abstention.

Kevin Sullivan made a MOTION to approve the Capital Budget as presented. The MOTION passed by a roll call vote of five in favor and 2 against.

Laundry Service

We have received word that Laundry service can continue as is through December 2009. We are still reviewing options for meeting laundry needs.

PHYSICIAN RECRUITING – Lennie Gorsuch reports;

1. Psychiatric Recruitment - Paul Topol's resignation - Verner Stillner accession plan
The committee discussed psychiatric services. Shawn stated that he spoke with Lindy Jones, M.D. who said that he supported recruitment of an additional psychiatrist. A motion was made by Kristen Bomengen for the committee to recommend to the board that the hospital recruit a psychiatrist. John Raster seconded the motion and it was approved.
The medical staff will be notified of this recommendation and it will go to the board for approval.
Lennie Gorsuch made a MOTION that the Board approves recruiting for a new Psychiatrist. The MOTION passed unanimously.
2. Gynecology Survey Results - Kathy presented the results of the gynecology service survey that was sent to primary care, ED and general surgery physicians and mid levels providing primary care in the region. The results are close to evenly split. There was discussion about the two specific areas ED and mid level in the community that state that there is an unmet need. Shawn and Kathy met with Nell Wagoner, M.D. and shared the survey with her and

talked about a way to further address the concerns for access. Shawn also said he would contact Valley Medical to see if they might consider adding Gyne to their practice.

BARTLETT FOUNDATION – Kevin Sullivan reports;

The Fahrenkamp Golf Tournament was held last weekend and the Foundation received approximately \$17,000 in proceeds from it.

RAINFOREST RECOVERY CENTER – Loren Jones reports;

Informed board of AKAIMS data entry and our standing with the state of Alaska. EDI backup with Meditech was not working for us. We are creating a better working relationship with the State.

- Matt Felix urges RRC to apply for OP monies, ASAP.
- Pam Watts expressed concerns with the current budget, stating that our OP YTD numbers are down 59%. Pam also inquired about the salaries/wages increasing.

RRC Staffing

- Dr. Weldy continues to recruit for the Residential counselor.
- Dr. Weldy mentioned the addition of Merchant Thompson to join our agency as a case manager and clinician.
- Dr. Topol will be leaving BRH on 5/5/09.
- Dr. Stillner will transition into Dr. Topol's position until his retirement in 2010.
- Transition is going very well ~ becoming smoother since Dr. Stillner has taken over.

RRC Budget:

- BRH facilities requested \$500,000 was set aside
- \$55,000 will be used for paint/carpet
- \$20,000 for patient room furniture ~ giving the patients rooms a more comfortable setting than what is being used now ~ hospital beds will be replaced, etc.

RRC Advisory Board Staffing:

- There are three other seats that need to be filled for the RRC Advisory Board member. George Briggs, Ed Flanagan and Hunter Silides have other obligations in the community forcing them to vacate their positions with our board.
- Suggestions from the board included considering Alumni for RRC board members.

OTHER BUSINESS

The April calendar was reviewed. Executive and Joint Conference were moved from the 1st to April 21st at 12:15 p.m. and Executive Committee to follow at 1:00 p.m. Finance Committee was moved to April 22nd, Planning Committee was moved to April 8th at 11:00 a.m. QA was moved to April 8th at 12:00.

Board Comments

ADJOURNMENT

Dr. Malter made a motion to adjourn at 8:10 p.m. The motion passed unanimously.

Nate Peimann, MD, Secretary (Date)