

# Bartlett Regional Hospital

**BOARD OF DIRECTORS  
June 23, 2009  
Robert F. Valliant Center Boardroom  
Minutes**

## **CALL TO ORDER**

Kristen Bomengen called the meeting to order at 5:14 p.m.

### **Present**

Kristen Bomengen  
Reed Reynolds  
Dr. Alex Malter  
Loren Jones

Linda Thomas  
Dr. Nate Peimann  
Kevin Sullivan  
Lennie Gorsuch

### **Absent**

Nate Peimann, MD

### **Others Present**

Shawn Morrow, CEO  
Debbi Lehner, COO  
Toni Petrie, Executive Assistant

Garth Hamblin, CFO  
John Raster, M.D.  
Jim Strader, Community Relations Director

## **ROLL CALL**

**PUBLIC PARTICIPATION** – None

**APPROVALS OF MINUTES** – Dr. Malter made a **MOTION** to approve the minutes as presented. **MOTION** passed unanimously.

**CEO MONTHLY REPORT** – Shawn Morrow reports;

### **Patient Satisfaction/Clinical Quality**

- The Patient Safety Survey is complete. The Quality Committee reviewed a summary report, which is included in your board packet. Specific areas for improvement have been highlighted.
- Joint Commission Preparedness continues with focus on items identified through the QHR Joint Commission Mock Survey and Tracers. Weekly preparedness meetings with Department Managers/Directors have been occurring for the last five weeks. Preparedness activities will continue up to and following the survey as we bring any deficiencies into line with standards. An executive summary of the Mock Survey was presented to the Executive Committee. The full Mock Survey action plan is included in this month's board packet.
- Patient Satisfaction Scores and CMS Core Measure Scores continue to make incremental improvement.

### **Cultural Transformation**

- Mercer completed preliminary benchmarking, salary structure design, and a benefits review. A presentation of study results will be reviewed by the Senior Leadership Team early in July. Board familiarity with the study methodology, data, and Senior Leadership's recommendations will occur mid-July. We are hopeful that informational meetings with employees will occur in late July.

### **Financial Strength**

[1]

- Net income for May was \$911,493. Net Income year to date is \$3,444,162. Year to date net margin is 4.97%.
- We continue to work on reaching targets for overtime, travelers, and productivity. Traveler use will be at six for the next two months. The Emergency Department lost three nurses this month. Two travelers will be filling the gap for the next three months. There are more permanent candidates in the pipeline than we have had in the past; however the use of travelers is still being used as a crutch. Some department managers are having difficult time thinking out of the box of past staffing models, while others have done an exceptional job of exploring and trying new staffing concepts.

### Service Line Expansion

- The Cardiology Steering Committee completed their work evaluating feasibility study proposals. Their recommendation is to use HealthGroup West for this service at a total cost of \$39,200 plus travel expenses. See Board Packet for more details.

### Medical Staff Development

- Recruitment efforts are underway for a Psychiatrist. Only one resume has been reviewed to date.

*Loren commented on the ad in the Alaska Airlines Magazine for recruiting a Psychiatrist. He didn't feel it was the best place to get their attention. Shawn mentioned we that we actually received calls from that ad.*

- Shawn will be forming a Steering Committee early this fall to explore a Hospitalist program at Bartlett. Interest seems to be growing to the point that we should consider piloting hospitalists with measurable indicators of success or failure.

### Community Engagement

- Shawn presented to approximately 100 people at the Downtown and Gastineau Rotary Clubs last week. his presentation focused on Bartlett's dashboard indicators and strategic plan. The overall theme was this is where BRH is going and why.
- We continue to work/serve on various councils and boards and have representation in civic clubs around the community.

### Other Board Agenda Items

- The Tour Bus Depot land is now available. The Board has discussed this land off and on over the years as a potential land acquisition. A recommendation was made to the Finance Committee to negotiate within certain parameters. The Finance Committee will make recommendation to the full Board of Directors.

### Key Vacancies

- Two Emergency Department Nurses

*Lennie asked if there should be a concern why 2 nursing position opened up in the ED. Shawn said one moved down South and the other was personal issues non-work related.*

### QHR Activity

- **Client Impact Report:** Bill Henning, and David Miller, QHR Regional Vice President and Associate VP conducted two conference calls with the CEO/CFO to discuss last years client impact report.
- **Operating Practices Consistency Review:** Conducted by Tommy Moore, QHR Senior Consultant. This review ensures that best operating practices are being employed in efforts to produce high client satisfaction.
- **CEO/CFO Monthly Operating Review:** This meeting consists of a review of contract obligations, operating indicators, and strategic priorities. The purpose of the review is to ensure QHR is matching its resources with our needs.
- **Joint Commission Mock Survey:** Sue Seeley, QHR Accreditation and Regulatory Compliance Consultant and Bill Henning, Regional Vice President held a conference call with BRH Senior Leadership Team to review the Mock Survey MAP and discuss preparedness activities.

[2]

- **Qsphere:** [www.theqsphere.com](http://www.theqsphere.com) rolled out this week. This is an online community for personnel at QHR Managed hospitals. There has been a need expressed over the years for better Manager to Manager networking, information sharing, and problem solving. This new service provides a conduit for peer to peer interaction.
- **Ongoing Services:** There have been telephone calls and emails concerning healthcare reform developments, education, benchmark data reports, reimbursement/legislative advisories, federal grant advisories, strategic trends, and compliance issues.

*Dr. Malter mentioned reading in the newspaper that the cost of living in Juneau vs. Anchorage and wanted to know if it would make sense to forward it to Mercer for their study. Shawn stated they have already done that as part of their report and he wants to the Board and staff to see the reasoning and process of how they came up with the cost of living differentiations and how they slotted jobs.*

Shawn introduced Jim Strader, our new Community Relations Director.

*Dr. Malter asked where we are in the formulation on implementing a hospitalist program. Shawn said we are just exploring the concept due to surveying physician's needs and wants.*

**Compliance Report** – John Wray reports;

**ADDITION TO CODE OF CONDUCT:** Per Joint Commission standard, BRH has added a page to the BRH Code of Conduct (and accompanying P&P) that communicates a zero tolerance for disruptive and intimidating behavior on the part of staff and providers. The education is on-going.

**HCCA CONVENTION:** The Compliance Officer attended the annual Health Care Compliance Association convention. Important issues on the horizon for BRH and local medical providers include:

- a. RECOVERY AUDIT CONTRACTORS (RAC) – Aug/ 09 in AK at the earliest. Initially automated reviews of outpatient services are expected, but contractor will post target areas before implementation. Record requests to follow;
- b. IMPACT OF RAC ON CLINICS – Expectation of E&M coding audits by RAC of MD clinic business;
- c. MEDICAID INTEGRITY PROGRAM – Pending assignment of a contractor to cover Pacific NW states. Expectation of multiple record requests and possible on-site audits. Potential to have a significant impact on Medicaid payments, with overpayment recoupment; and
- d. CHANGES TO HIPAA / HITECH – Important for BRH to implement an encrypted email application. Changes to HIPAA effective 2/2010.

**AUDIT SUMMARY:** As preparation for RAC audits, 86 Medicare one-day stays are being audited, dating back to Oct. 1/ 07. Final results are pending.

**ISSUES RAISED BY STAFF:** 44 issues or questions presented to my office in the past 3 months, none via the HOTLINE. Issues presented:

- a. Alleged ID theft Issues – 2
- b. Subpoena queries – 2

*Lennie Gorsuch asked John about the above issues; identity theft and subpoena queries. John explained Bartlett gets subpoenas for records pertaining to RRC that stipulates any records related to substance abuse must have an authorized court order from a Magistrate. The identity theft refers to the "red flag rules" from the Federal Trade Commission that started this year and the law states if we have any concerns of Bartlett being the cause of or being the victim of identity theft that it has to be reported. The last two months there were issues but they were unfounded.*

**Medical Staff Report** - John Raster, MD reports;

**NEW APPOINTMENTS TO THE MEDICAL STAFF:**

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Utta Sharma, MD	Courtesy	Family Medicine w/OB

[3]



Dr. David Sonneborn graduated from the Medical College of Virginia Commonwealth in Richmond, VA in 1974. Dr. Sonneborn is a cardiologist at Alaska Heart Institute in Anchorage, AK.

**7. Mark H. Stauffer, MD Active Psychiatry, Child/Adolescent Psychiatry, and Chemical Dependency Detox**

Dr. Mark Stauffer graduated from the St. Louis University School of Medicine in St. Louis, MO in 1983. Dr. Stauffer is a psychiatrist for BRH MHU/BOPS.

**8. Steven Strickler, DO Active Radiology and Teleradiology**

Dr. Steven T. Strickler graduated from the University of Osteopathic Medicine and Health Sciences in 1990. Dr. Strickler is a radiologist for Diagnostic Radiology Consultants.

**9. Michael J. Tarantino, MD Courtesy General Surgery, Nissan Fundal, Laparoscopic Chole/Appendectomy, Sterotactic breast Biopsy, Sentinel Node Biopsy for Cancer, EDG, Colonoscopy, and Bronchoscopy**

Dr. Michael Tarantino graduated from the Louisiana State University at New Orleans School of Medicine in 1967. Dr. Tarantino is a general surgeon locum tenens for Vista Staffing - General Surgery.

**10. Rebecca A. Young, FNP AHP Emergency Medicine as Mid-Level and Outpatient Radiology and Laboratory**

Ms. Rebecca Young graduated from Graceland University in Independence, MO in 2000. Ms. Young is a Family Nurse Practitioner at Valley Medical Care, Lemon Creek Correctional Center, and the BRH Emergency Department.

**CLOSURE OF FILE:**

1. **Rosemary White** – (AHP – Mt. Edgecumbe/SEARHC; Dental Assistant)

**REQUEST FOR WITHDRAWAL:**

1. **David V. Vanek, MD** – (Courtesy – CompHealth – General Surgery – General Surgery, Laparoscopic Chole/Appendectomy, Endoscopy, and Conoscopy)
2. **Patrick T. Neary, ND** – (AHP – Wellspring; Outpatient Radiology and Laboratory)

**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:** None

**PHYSICIAN ASSISTANT STUDENT:** None

**MEDICAL STUDENT:** None

[5]

**DIRECT ENTRY MIDWIFE STUDENT:** None

**OTHER:** None

**Lennie Gorsuch made a MOTION to pass the credentials report as presented. MOTION passed unanimously.**

### **COMMITTEE REPORTS**

**EXECUTIVE COMMITTEE** – Loren Jones reports;

The drug testing issue was raised and several documents were included in the Board packet for review and discussion. There will be further discussion later in the meeting.

Shawn went over the Joint Commission Preparedness Study. The document is the result from the QHR Mock Survey Preparedness study they did a couple months ago. It basically documents the work we have been doing to get ready for the Joint Commission visit which should be anytime in the next couple of months. The following issues were discussed from the report;

*Kristen asked what “swarm tracers” meant. Debbi Lehner explained that there are groups of people that visit certain departments, question the staff on things that they may be asked about by the Joint Commission. It’s a method to prepare. Tracers are the method Joint Commission uses to evaluate how a hospital is functioning. They will take a live chart on a patient that is here “that day” and trace that patient from the time of arrival and trace all encounters that patient may have had. Each tracer takes them on a different path.*

*Loren asked what a volunteer license independent practitioner when referring to the disaster plan. Shawn said we have agreements with other facilities that if there is a disaster here, we could have physicians from anchorage or other outlying areas that aren’t credentialed at Bartlett, come down to Juneau and assist with patients. The Credentialing Committee needs to be aware that we have these agreements with other hospitals and they need to need to update their bylaws to reflect this and make sure it’s documented in their minutes what their policy is for handling these situations.*

*Kristen asked what the letters and numbers meant at the beginning of each issue. Debbi and Shawn explained it’s the Joint Commission standards that reference their book.*

*Dr. Malter asked that the locked doors be discussed to come up with a different plan so that patient’s families can access CCU and that the door between CCU and OB be locked instead.*

**JOINT CONFERENCE** – No meeting

**QA Committee** – Loren Jones reports;

Debbi went over the patient safety survey that was done by Total Benchmark Solutions. There was better participation this year compared to 2007. There was a concern that staff didn’t have a N/A response option but rather a neutral response.

	2007		2009	
	Percentage of total	Number of Respondents	Percentage of total	Number of Respondents
a. Registered Nurse	37	37	26	82
b. Physician Assistant/Nurse Practitioner	0	0	1	2
c. LVN/LPN	3	3	1	4
d. Patient Care Assistant/Hospital Aide/Care Partner	4	4	3	8
e. Attending/Staff Physician	7	7	8	25
g. Pharmacist	0	0	1	4
h. Dietician	1	1	1	3
i. Unit Assistant/Clerk/Secretary	13	13	6	20
j. Respiratory Therapist	2	2	2	5
k. Physical, Occupational, or Speech Therapist	5	5	1	4
l. Technician (e.g. EKG, Lab, Radiology)	3	3	8	26
m. Administration/Management	11	11	14	43
Other	14	14	28	89
	<b>total</b>	<b>101</b>	<b>total</b>	<b>315</b>

**Bartlett Regional Hospital**

Linda asked what Administration is going to do differently to improve patient safety? Shawn replied we are going to communicate it in every way possible with the staff.

Kevin asked how the survey was distributed, how long it takes to take the survey and if it is completely confidential. Debbi replied it is distributed via email with a link to the website. It is confidential and it takes about 10 minutes to complete.

**PLANNING COMMITTEE – Reed Reynolds reports;**  
**Construction Update - Debbie**

- Current Project: Project 2005 will be finished in July 2009!
- Med Sur/Same Day Care Project: Planning resumed. Same Day care area is now meeting with concerns over separate endoscopy beds, windows in the lounge, 4<sup>th</sup> recovery room bed and other issues. Need to stay focused on patient flow. Process with physician involvement is proving to be a wise choice. Preliminary drawings coming – expect to begin work in Feb 2010.
- Final renovation of the medical arts facility is nearing completion with the expected move of med tech, dieticians, etc. Subsequently, the REACH facility will be demolished – estimate Nov 2009.

**Cardiology – Shawn**

- Administration together with the steering committee is recommending the appointment of Health Group West for the feasibility study. Fees will not exceed \$39,200 plus travel expenses. The steering committee has proven to be a valuable experience and has produced good thinking. Will be submitted to the Finance Committee for recommendation to the Board.

**HRSA Grant – Garth**

- \$471 thousand in Federal earmarks is expected. Proposed to use \$371 to fund CT scanner in FY'10 and \$100 to fund a needed improvement in wireless radio coverage at BRH.
- Motion (Lennie/Loren) to recommend approval to the finance committee. Carried unanimously.

**Land Purchase – Garth**

- Will need to do an environmental assessment and appraisal at an estimated cost of \$30,000 in order to proceed. Unclear whether CBJ or BRH will undertake this task. Will be looking for FMV.

- Currently appraised at 1.02 million; expect an asking price of 1.2 million. Thinking of purchasing at the appraised value contingent upon negotiation of any environmental issues.

**Kristen made a MOTION to approve the FY09 4<sup>th</sup> quarter MAP. MOTION passed unanimously.**

**FINANCE COMMITTEE – Kevin Sullivan reports;**

### **April 2009 Financial Results**

#### **Notable Financial Events**

- ❑ High Outpatient Revenue in Physician Surgical Services
- ❑ Low revenue in Pharmacy due to low chemotherapy.
- ❑ Year-to-date Net Income – 11months – is over \$1 million ahead of last fiscal year Net Income.

#### **Summary**

Operating results for May show total patient days over budget. Inpatient Revenue was 1.5% under budget while outpatient revenue was 3.0% over budget leading to total revenue 1.1% higher than budget. Revenue deductions were 16.7% under budget. Total Operating Expenses were 1.9% over budget with high salaries and other expenses. For May, Net Income of \$911,493 was \$277,643 over budget.

Our Operating Cash balance is \$6,837,737 as of the end of the month, a decrease of \$258,849.

Year-To-Date for our Fiscal Year 2009

#### **Financial**

- Total Revenue of \$86,805,712 is 1.7% under budget
- Revenue Deductions of \$17,556,824 is 4.2% under budget
- Net Revenue of \$69,248,888 is 1.0% under budget
- Total Operating Expenses of \$67,421,340 is at budget
- Net Income of \$3,444,162 is \$607,669 under budget

#### **Statistics and Indicators**

- ER Visits of 12,380 are 7.9% under budget
- Staff Hours per Adjusted Patient Day is 2.55% lower than budget
- Net Margin is under budget by 0.82%
- Productivity is 100
- Overtime Percentage is 4.93%

### **Cardiology Feasibility Steering Committee / Feasibility Study**

The Committee reviewed the proposal from Health Group West for Cardiology Feasibility Study. They discussed the make-up and work of the Cardiology Steering Committee and reviewed its recommendation. The Committee voted to recommend funding of Cardiology Feasibility Study - \$39,200 plus travel-related expenses – if the Board approves Cardiology Feasibility Study.

**Kevin Sullivan made a MOTION to approve \$39,200 plus travel expenses for Health Group West to do a Cardiology Feasibility Study. Lennie Gorsuch seconded the MOTION for the purpose of discussion.** Dr. Malter expressed his concerns with doing the study feeling that Administration was going against the medical staff's wishes to have a cath lab in Juneau. **After a lengthy discussion, the Motion passed with six in favor and one against.**

#### **Land**

The Committee continued discussion about possible opportunity to purchase land and additional information from CBJ regarding process. They requested that staff more clearly outline needs / reasons that such a purchase should be considered.

**Kevin Sullivan made a MOTION to allocate \$30,000 to Executive staff to proceed as they determine appropriate for purposes of doing an environmental study and an appraisal to determine the quality of the property and what it might be worth. Reed Reynolds seconded the MOTION. MOTION passed by a unanimous roll call vote.**

### **Health Care Costs**

At the last Board meeting, the Finance Committee was asked to begin looking at healthcare reform, cost savings, and efficiencies. Discussion was around topics such as what is Bartlett currently doing and what we might do to favorably impact costs and health of the community we serve.

**PHYSICIAN RECRUITING** – No meeting

**BARTLETT FOUNDATION** – Kevin Sullivan reports;

The Foundation awarded a couple of scholarships in the amount of \$5,000.

They will be holding a fundraiser “scrub sale” next month and 20% of gross sales will go to the Foundation.

Dr. Malter asked if our gift shop should visit the idea of having Alaska native items for sale since we have a lot of tourists.

**RAINFOREST RECOVERY CENTER** – No Meeting due to lack of a quorum. Loren Jones told Board members to encourage interested parties to contact him or Shawn Morrow.

### **OTHER BUSINESS**

#### **Board Member Comments**

Kristen wanted to compliment the CCU staff on all their work while her friend was in the hospital.

Lennie would like John Wray to attend the Board meetings quarterly to give his compliance report.

Dr. Malter wanted to make sure the Board was comfortable with the amount of our DNO insurance and Garth said it was a decent amount.

July Calendar was reviewed. The following change was made;  
Executive Committee – July 1, 2009 was moved from 1:00 p.m. to 11:00 a.m.

#### **Executive Session**

**Dr. Malter made a MOTION to go into Executive Session at 7:12 pm to discuss a matter regarding financial matters that pertain to the hospital. The Board came out of Executive Session at 7:55 pm no action was taken.**

**Lennie Gorsuch made a MOTION to pass a pre-employment drug policy. The MOTION failed by four in favor and three against. The MOTION needs five to pass.**

**Lennie Gorsuch made a MOTION to authorize Senior Leadership to work with the Union members on a “for cause” drug testing policy. The MOTION passed with five in favor and two against.**

### **ADJOURNMENT**

**Dr. Malter made a motion to adjourn at 7:57 p.m. The motion passed unanimously.**

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**Nate Peimann, MD, Secretary (Date)**