

Bartlett Regional Hospital

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

CALL TO ORDER

Loren Jones called the meeting to order at 5:17 p.m.

Present

Loren Jones	Kristen Bomengen
Reed Reynolds	Kevin Sullivan
Dr. Alex Malter	Robert Storer (by phone)
Linda Thomas (by phone)	

Absent

Lennie Gorsuch	Nate Peimann, MD
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Others Present

Shawn Morrow, CEO	Garth Hamblin, CFO
Cathy Carter, CNO	Debbi Lehner, COO
John Raster, M.D.	Toni Petrie, Executive Assistant
Dick Monkman, Atty.	

ROLL CALL

PUBLIC PARTICIPATION – Some members from Case Management came to discuss the Denison Culture Survey results. They wanted to know what the plan is going to be to work on staff morale. They voiced their concerns about their feelings of a big disconnect between leadership and staff. They also voiced their concern that staff are becoming *resigned* and frustrated. Loren Jones told them that the Board is waiting for a report from Administration and then they are going to be discussing it at the Executive Committee and Planning Committee, both of which are open to the public.

Deb Manowski wanted to thank Shawn for taking the nurses out to lunch in Anchorage for the nurse of the year awards. She also announced the winners from Bartlett. They were; Deb Manowski, Justine Muench, Judy Cernobyl, Tamara Simone and Amy Refenstein, There were several other nominees from Bartlett.

APPROVAL OF MINUTES – Kevin Sullivan made a MOTION to approve the October 27, 2009 minutes. Dr. Malter seconded the motion and they were approved as presented.

MEDICAL STAFF REPORT – Dr. Raster reports;

NEW APPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Jerry M. Davenport, DO	Courtesy	Family Medicine

Dr. Jerry M. Davenport graduated from the Kansas City College of Osteopathic Medicine in 1974. Dr. Davenport is a family medicine locum tenens for SEARHC - Juneau.

REAPPOINTMENTS TO THE MEDICAL STAFF:

<u>Name</u>	<u>Category</u>	<u>Privileges In</u>
1. Jonathan M. Foral, MD	Consulting	Teleradiology

Dr. Jonathan M. Foral graduated from the University of Nebraska Medical Center in 2001. Dr. Foral is a teleradiologist for Virtual Radiologic Professionals LLC.

2. Robert E. Gunderman, MD	Consulting	Teleradiology
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Dr. Robert E. Gunderman graduated from the University of Cincinnati College of Medicine in 1979. Dr. Gunderman is a teleradiologist for Radiology Associates.

3. Benjamin A. Miller, DO	Active	General Surgery, Laparoscopic Colectomy, Splenectomy, Chole/Appendectomy, Stereotactic Breast Biopsy, Sentinel Node Biopsy for Cancer, and Endoscopy
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Dr. Benjamin A. Miller graduated from the Kirksville College of Osteopathic Medicine in 2001. Dr. Miller is a general surgeon for Bartlett Surgery and Specialty Clinic.

4. Victoria A. Nguyen, DO	Consulting	Teleradiology
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Dr. Victoria A. Nguyen graduated from the University of Health Sciences - Kansas City in 1997. Dr. Nguyen is a teleradiologist for Virtual Radiologic.

5. Paul, Marc H., MD	Consulting	Teleradiology
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Dr. Marc H. Paul graduated from the University Of Maryland School Of Medicine in 1983. Dr. Paul is a teleradiologist for Virtual Radiologic.

6. William A. Richey, MD Active Radiology

Dr. William A. Richey graduated from the University of North Carolina - Chapel Hill in 1975. Dr. Richey is a radiologist for Diagnostic Radiology Consultants.

7. Theresa J. Shanley, MD Active Radiology

Dr. Theresa J. Shanley graduated from the University of Washington School of Medicine in 2000. Dr. Shanley is a radiologist for Diagnostic Radiology Consultants

8. Benjamin W. Strong, MD Consulting Teleradiology

Dr. Benjamin W. Strong graduated from the University of Arizona College of Medicine in 1993. Dr. Strong is a teleradiologist for Virtual Radiologic.

9. Mark T. Takaki, MD Consulting Teleradiology

Dr. Mark T. Takaki graduated from the University of Hawaii at Manoa in 2001. Dr. Takaki is a teleradiologist for Virtual Radiologic.

10. Ann A. Tran, MD Consulting Teleradiology

Dr. Ann A. Tran graduated from the Georgetown University School of Medicine in 1987. Dr. Tran is a teleradiologist for Virtual Radiologic.

11. David W. Tsai, MD Consulting Teleradiology

Dr. David W. Tsai graduated from the Univ of Missouri at Kansas City School of Medicine in 1989. Dr. Tsai is a teleradiologist for Radiology Associates.

12. Bruce M. Weeks, MD Courtesy Psychiatry

Dr. Bruce M. Weeks graduated from the Albert Einstein College of Medicine in 2000. Dr. Weeks is a psychiatrist for S.E.A.R.H.C. - Behavioral Health.

13. Randall H. Wiest, MD Courtesy Family Medicine w/Obstetrics, 4th Degree repair, D&C, and Exercise Stress Treadmill

Dr. Randall H. Wiest graduated from the University of Pennsylvania School of Medicine in 1978. Dr. Wiest is a family medicine physician for Homer Medical Clinic.

CLOSURE OF FILE:

1. **Jeremy J. Gitomer, MD** – (Kidney & Hypertension Clinic of Alaska Nephrology (Adults/Peds))

REQUEST FOR WITHDRAWAL: None

REQUEST FOR ADDITIONAL OR EXPANDED PRIVILEGES: None

CHART REVIEW: None

REQUEST FOR CHANGE OF STAFF STATUS:

1. **Joanna S. Weinstock, MD** – From: Locum Tenens to Courtesy

LOCUM TENENS:

1. **Andrew D. Pauli, MD** – (Locum Tenens.com; Psychiatry and Chemical Dependency Detox)

LEAVE OF ABSENCE: None

MEDICAL RESIDENT: None

PHYSICIAN ASSISTANT STUDENT: *None*

MEDICAL STUDENT: None

DIRECT ENTRY MIDWIFE STUDENT: *None*

OTHER: None

Reed Reynolds made a MOTION to approve the credentials report as presented. Kristen seconded the motion and it passed unanimously.

Reed Reynolds made a MOTION to approve the Rules and Regs regarding the duties of the Emergency Care Committee. Dr. Malter seconded the MOTION and it passed unanimously.

CEO MONTHLY REPORT – Shawn Morrow reports;

Patient Satisfaction/Clinical Quality

- Nothing new to report. Efforts are ongoing.

Cultural Transformation

- Denison results and next steps will be discussed as an informational item with the Executive Committee and Planning Committee next month.

- The CEO Burning Box is a grand slam. I have only cycled through answering questions once to date and received a lot of unsolicited positive feedback. Kevin Sullivan asked how the burning box works and how the questions/suggestions are addressed. Shawn mentioned that he answers each question and sends an email out once a month.
- The Performance Bonuses were paid out on November 13th. All communications placed strong emphasis on the bonus being linked to performance on the dashboard goals in fiscal year 2009. About 15 employees emailed saying thank you –many asking that I pass this on to the Board.

Financial Strength

- Net Margin is 13.19% fiscal year to date.
- Productivity continues to run at 100 plus.
- Travelers increased from 6 to 7. The increase occurred in the ED and the OR.
- Overtime expense decreased last month to 4% and 5.2% year to date.

Service Line Expansion

- The Cardiology Steering Committee reconvened to discuss the recommendations of the Cardiology Feasibility Study. They plan on reporting their conclusions at the next Medical Staff Meeting.
- The Planning Committee discussed Master Facility Planning. The current Master Facility Plan was conducted approximately 10-15 years ago, has been carried out to completion and needs to be updated prior to any major projects moving forward. This realization is the result of trying over and over again to find an optimal solution for the surgery construction project with a limited foot print – assessing the location of a Child and Adolescent Inpatient Behavioral Health Unit – Cardiology Planning – Physician Office Space Needs – future Oncology Planning – Child Care etc. The Planning Committee has more work to do on this prior to any recommendations coming to the Board. This is still in committee and is not ready for full board discussion.

Medical Staff Development

- Dr. John Pappenheim, Psychiatrist, will start work January 4th. Following a one month orientation he will assume full duties as the Medical Director of Behavioral Health.
- Psychiatrist recruitment is still underway with no progress to report. Urologist recruitment is progressing well. Dr. Mike Saltzman was here November 13-15th for a site visit. He is from Hood River, Oregon and appears to be a very promising prospect.
- The hospitalist steering committee is set to have its first meeting on December 8th.

Community Engagement

- We continue to work/serve on various councils and boards and have representation in civic clubs around the community.

Key Vacancies

- CCU Manager
- Materials Manager – filled.

QHR Activity

- CEO and Board Member Bob Storer attended the Board Basics Seminar.
- Cost Report review was conducted by David Perry – QHR AVP Health Finance and Reimbursement.
- CEO/CFO Monthly Operating Review. This meeting consists of a review on contract obligations, operating indicators, and strategic priorities. The purpose of the review is to ensure QHR is matching its resources with our needs.
- There have been telephone calls and emails concerning education, benchmark data reports, reimbursement/legislative advisories, federal grant advisories, strategic trends, RAC Audits, Productivity System, and compliance.

Dr. Malter wanted Shawn to pass along to the Cardiology Steering Committee that he received a couple of letters from Seattle and Anchorage groups wanting to do Cardiology clinics in Juneau and wondered if there was any concern about the hospital subsidizing someone to come in and compete. Loren said the Board's perspective and the community's perspective is to have more active staff and less consulting staff. While we credential consulting staff, we don't get to do the peer reviewing like we do active staff and that would be a preference over consulting staff.

EXECUTIVE COMMITTEE – Kristen Bomengen reports;

Denali Resolution – Bartlett Regional Hospital is eligible to apply for FY2010 Denali Commission "Other Than Primary Care" Hospital and Nursing Home Facility Improvement Program. ***Kristen Bomengen made a MOTION to approve the Denali Commission Resolution BOD 2009.001 to be included in the grant application. Reed Reynolds seconded the motion. The MOTION passed by a unanimous roll call vote.***

Commissioner Hogan Letter – Matt Felix from the RRC Advisory Board wrote a letter to Commissioner Hogan pertaining to unspent grant money in the hands of the State of Alaska. Matt felt it would be best coming from the hospital Board rather than from the Advisory Board. *Dr. Peimann made a MOTION at the Executive Committee to approve the letter. MOTION passed unanimously and the letter was sent out.*

MAP Update – Shawn gave an overview of the MAP Quarterly update. Loren asked how the Board could view the Community needs. Shawn mentioned Jim Strader,

Community Relations Director has some ideas about doing a community survey to find out why people are leaving Juneau for services. We need to find out if it's the prices, the procedures, the specialties, etc.

Housecalls – Jim Strader would like to send out Housecalls twice a year instead of three times a year. He feels it would save a lot of money and still have the same affect.

Dr. Malter wanted to note that for the master facility plan he liked the notion of doing as much in house as possible to save money.

Urology Recruitment - Dr. Saltzman is interested in practicing in Juneau. He will be in private practice. The hospital will help get him set up and do his billing. No office space has been secured at this time.

Dr. Malter made a MOTION to approve the recruitment contract for Dr. Mike Saltzman, Urologist. Kristen Bomengen seconded the motion. MOTION passed by a unanimous roll call vote.

JOINT CONFERENCE COMMITTEE – None

QUALITY COMMITTEE – no report

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

- A written summary on the status of the SDC and 3rd floor construction program was discussed. There is a need to step back for a more comprehensive review of the current project plan and whether there is a stronger need to create a new master plan for the campus. It was proposed that BRH undertake to complete abatement and to initiate the development of a master plan at an estimated \$250 K.

Question was raised about the outcome of the cardiology meeting – it was reported that the proposal for a new service was being returned to the medical staff – two physicians will speak; a cardiologist for Juneau is being considered.

Question was raised about the status of the proposed replacement of CAT scan equipment. There has been a lot of interest in the issue – currently further consideration is deferred pending a recommendation from the radiology committee. It was noted that cooling for a new unit will be a significant issue.

Question was raised about the need for a consulting firm at a cost of \$250 K to do a master plan – shouldn't the competency of the BRH management staff be sufficient. Discussion centered on the need for a consulting firm with broad experience, knowledge of current trends, etc.

Loren made a motion to the Planning Committee to ask Administration to prepare a scope of work in the development of a master plan along with better estimates of cost and to bring it back to the Planning Committee. The MOTION carried.

Big Dot Issues

- Dr. Nate Peimann has asked the Planning Committee to assume responsibility for two of the “big dot” items discussed at the recent board retreat;
 - Community perceptions as it relates to inpatient services, outpatient services, ED, and mental health services,
 - Perceptions and culture of the staff

It was explained that the results of the Denison survey are being systematically discussed in management meetings, and with other groups. Each discussion seeks to process the findings and determine what actions are indicated. The degree to which there was alignment between the senior leadership and all managers was significant. This will lead to an effort to extend the alignment to the rest of the hospital. Various strategies for process improvement were discussed including 6 sigma, LEAN, Deming, and the TQM tools for facilitation.

Board Training Ideas – Loren

- The committee determined that the Board would read “Why Hospitals Should Fly: The Ultimate Flight Plan to Patient Safety and Quality Care” by John Nance. The second book will be “The Pittsburgh Way”. It is expected that there will be one book each quarter. Meanwhile Loren and Toni are working on a comprehensive list of conference and training opportunities. The committee continues to work towards a conference suitable for attendance by the entire board.

Kevin asked if the “book club” was an informational item or if the Board was ready to implement and order the books. Reed said it was a recommendation from the Planning Committee to bring it to the full Board to see if there was interest. If so, we will set guidelines and order the books.

FINANCE COMMITTEE – Kevin Sullivan reports;

FY 2009 Cost Report

Susan Ruchin of Moss-Adams joined the meeting by phone and discussed process and summary of work on FY 2009 Medicare Cost Report. Result is \$58,476 due to Medicare upon filing of the report. The committee discussed Rural Health Care Demonstration Project in which Bartlett is participating. **Kevin Sullivan made a MOTION to recommend that the Board authorize Shawn Morrow to sign FY 2009 Medicare Cost Report for submission. Kristen Bomengen seconded the motion. The MOTION passed by a unanimous roll call vote.**

Kevin Sullivan recommended that Garth send out a summary of historical actuals over the last three years of earnings and expenses on a quarterly basis.

October 2009 Financial Results

Notable Financial Events

- Medical Surgical Unit 25% over budget in census and revenue, \$164,000
- Operating Room revenue \$225,000 over budget
- General Surgeon revenue not meeting budget - \$109,000 under

Summary

Operating results for October show total patient days over budget. Inpatient Revenue was 16.3% over budget while outpatient revenue was 3.6% over budget leading to total revenue 8.3% higher than budget. Revenue deductions were 14.2% over budget. Total Operating Expenses were 1.2% over budget. For October, Net Income of \$687,519 was \$363,308 over budget.

Our Operating Cash balance is \$6,557,434 as of the end of the month, an increase of \$950,262.

Year-To-Date for our Fiscal Year 2010 Financial

- Total Revenue of \$37,149,788 is 7.4% over budget
- Revenue Deductions of \$8,040,072 is 13.8% over budget
- Net Revenue of \$29,109,716 is 5.8% over budget
- Total Operating Expenses of \$25,809,204 is 1.9% under budget
- Net Income of \$3,838,172 is \$2,085,094 over budget

Statistics and Indicators

- Patient Days of 4,138 are 4.6% over budget
- Admissions of 827 are 9.9% under budget
- ER Visits of 4,821 are 1.1% over budget
- Staff Hours per Adjusted Patient Day is at budget
- Net Margin is over budget by 6.81%
- Productivity is 101
- Overtime Percentage is 5.20%

RRC Management

The Committee has received a draft Management agreement for the Management of RRC. This agreement has been distributed to RRC Advisory Board for review. The Committee discussed that the \$156,000 budgeted for RRC Director position would cover much of the \$240,000 annual cost under the proposed agreement.

Dr. Malter asked if we have considered employing the Director rather than contracting with him. Cathy Carter mentioned the Director is semi-retired and would like to stay that way, however he really wants to try and help get RRC back on track. He prefers a

contract over employment. The plan is to bring someone on as the Director once they get a good system in place and after the two year contract is up.

3rd Floor Remodel

The committee discussed recommendation forwarded from the Planning Committee to proceed with 3rd Floor Remodel and estimated total project cost of \$6,250,000. They also discussed that the Planning Committee is considering recommendation to move forward with work on a facility / site master plan. **Kevin Sullivan made a MOTION to move forward with 3rd Floor Remodel as proposed. MOTION passed by a unanimous roll call vote**

RAC & MIC (Medicaid Integrity Contractors) Audits / Preparations

Our Recovery Audit Contractor team has expanded to include MIC issues in its monthly meetings. There are no specific issues with either at this time

PHYSICIAN RECRUITMENT COMMITTEE – None

NOMINATING COMMITTEE- Loren Jones reports

Loren announced the results from the Nominating Committee as follows;

- Nate Peimann Chair
- Kristen Bomengen Vice Chair
- Kevin Sullivan Secretary

Due to the Bylaw change, we will be holding elections at the December 15th meeting.

OTHER BUSINESS

December Calendar changes – Board of Directors on December 15th instead of December 22nd.

BOARD COMMENTS

Kristen made an announcement on behalf of the Tobacco Cessation Advisory Committee that there will be an excellent educational seminar on December 8th at Centennial Hall by Dr. David Peter Langoe Sachs on Diagnosis and Medical Management of Tobacco Dependence from 7-9 pm.

Dr. Malter voiced his concern regarding the Denison Survey results and is hoping to hear what the plan is soon. He's concerned over the disconnect of staff and leadership. Loren mentioned the discussion/plan will start at the Executive Committee on December 2nd.

Linda felt it would be helpful to have a bullet point list of the steps Administration is taking to help with the staff morale. Bob Storer would like benchmarks to evaluate the progress.

Kristen raised a concern about an anonymous letter she received from a patient regarding disruptive physician behavior that affected that patient's sense of safety.

Meeting adjourned at 6:53 p.m.

Nate Peimann, MD, Secretary