

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900 www.bartletthospital.org

Board of Directors meeting August 27, 2013 Robert Valliant Center

Ms. Thomas called the meeting to order at 5:15 p.m.

Roll Call

Linda Thomas, President	Reed Reynolds, Vice-President
Alex Malter, MD, Secretary	Bob Storer, Past President
Mary Borthwick	Kristen Bomengen
Nancy Davis	Nathan Peimann, MD (by phone)

Absent

Lauree Morton

Also present

Christine Harff, CEO (by phone)	Dick Monkman, Esq.
Karen Crane, CBJ Liaison	Toni Petrie, Executive Assistant
Norma Adams, HR	William Gardner, CNO
Amy Mead, CBJ Attorney	Jim Strader, Community Relations
Jane Sebens, CBJ Deputy Attorney	

Public participation – None

Approval of the minutes – *Ms. Bomengen made a MOTION to approve the minutes from July 23, 2013, August 7, 2013, August 12, 2013 and August 19, 2013. Mr. Storer seconded and they were approved.*

Guest Dan Moore with Southeast Radiation Oncology Center attended the meeting. He provided an update on the oncology center. He had a handout that shows the center recently built in Soldotna. They had a signing of the wall on Sunday in Juneau and they are publishing a book with the words of encouragement that were written on the wall. He thanked BRH for their support of their clinic. They will start consultations in November and treatments will begin in December.

CEO report – Ms. Harff reported on a call regarding the Front Street Clinic from the COO from SEARHC to Mr. Gardner. They plan on closing the Clinic October 1, 2013. There will be a meeting next week at SEARHC that Mr. Gardner will attend to find out more details.

Ms. Thomas asked about the LEAN training and if it is included in the education budget. Mr. Gardner said it's training and education provided by ASHNHA. They pay for three individuals to go to Anchorage to get the methodology down. Then they will fly instructors to Juneau for training. 15-18 front line staff will take this training.

Ms. Thomas asked about the JAMHI contract. Ms. Harff said our Psychiatrists are not interested in providing back up for their clinic after the contract terminates and Norcal didn't want us to take that liability.

BOD Minutes August 27, 2013

Ms. Thomas asked to explain the outstanding lawsuit for \$50,000. Ms. Harff said due to the confidentiality, she could only say it was with a psychiatry patient. Ms. Thomas asked if it was a claim through our insurance carrier, Norcal, and Ms. Harff replied yes.

Ms. Thomas wanted to recognize the CMS Survey and lack of deficiency. Ms. Harff said she was also pleased by that.

Ms. Thomas asked about the 340(b) for pharmacy and about the potential delay and loss of potential revenues. Ms. Harff and Mr. Gardner and working to see if we can do the infusion part for a quarter (separately). If we can't do that we will have to delay it for a quarter.

President's report – Ms. Thomas said she and Mr. Reynolds attended the CBJ Board training and they found it to be very helpful. There was also compliance training by John Wray and Ms. Thomas asked for the signed attestation forms. She noted the self-evaluation forms have not yet been compiled. They will be discussed at a future meeting.

Executive Committee report – Ms. Thomas reports Anesthesiology Billing Services Contract for Ernest Koehrer, M.D., It's a two year term This contract was reviewed by legal counsel.

Dr. Malter made a MOTION to approve the contract as presented. Ms. Bomengen seconded the motion and it was approved by a roll call vote.

Renal Dietician Agreement is to be tabled until September since the agreement in the Board packet was not the final agreement version.

Strategic planning update – There are two items we will be discussing during this meeting. One is physician call and the other is more involvement in the community. Dr. Peimann, Mr. Reynolds and Ms. Petrie are compiling a list of alumni members for the Board reception on September 27, 2013.

Finance Committee – Dr. Malter reports The minutes were handed out at the meeting. The July financials were reviewed. See attached.

Dr. Malter made a MOTION to approve the July Financial Report. Mr. Reynolds seconded and they were approved.

Contracts for approval:

Electrocardiogram Interpretation Services Seattle Children's Hospital – This is a new agreement to read pediatric EKG's from Children's Hospital in Seattle. ***Dr. Malter made a MOTION to approve the contract as presented. Ms. Borthwick seconded and it was approved by a roll call vote.***

Macro Helix – This contract is to purchase 340b software that will provide BRH the ability to bill the appropriate patients the appropriate amount under this complex program. ***Dr. Malter made a MOTION to approve the contract as presented. Ms. Borthwick seconded the motion***

Discussion:

Ms. Bomengen asked if the contract had been reviewed by legal. Mr. Monkman said yes it was and it was also looked at by the Risk Manager at CBJ.

The motion was approved by a roll call vote.

Juneau Medical Building Lease – The City wrote the lease and a Fair Market Value analysis was done and Administration asked the Board for their input. ***Dr. Malter made a MOTION to approve***

BOD Minutes August 27, 2013

the contract with a rate to be determined by Administration which is in the fair market value between \$2.25 and \$2.50 per square foot. Mr. Storer seconded the motion.

Discussion:

Dr. Peimann asked what if any improvements are we doing in the building as part of moving forward. Ms. Harff said we are having Dr. Neyhart moving to Dr. Palmer's old space. We will be cleaning it up and doing the same with her old space.

The motion passed with 7 in favor and 1 against.

IT update – Martha Palicka, Interim IT Director came to the Finance Committee to request funds for the phone switch for the Medical Arts Building for the phone system upgrade. The estimate came in lower than what was previously submitted and approved. ***Dr. Malter made a MOTION to approve an amount not to exceed \$128,000. Mr. Reynolds seconded and it was approved by a roll call vote.***

Board Operating Budget – Dr. Malter said there was a discussion at the Finance Committee meeting regarding getting more board input for deciding education for Board members. This was originally listed under the Planning Committee's strategic goals, but since they are tasked with so much, it was decided it would go to the Executive Committee.

There was a discussion on how our finances will be impacted by moving some of our legal work to the City. The presumption is we will have some offset of other legal expenditures will go down with the City takes on some of that work. There will be more discussion over the year as that plays out.

Capital Expenditures – ***Dr. Malter made a MOTION that Administration may move forward on any item that has been previously approved in the capital budget that costs \$50,000 or less. If the item costs between \$50,000 and \$100,000, a standing committee may authorize it and purchase will be ratified at the next full Board meeting. Any item over \$100,000 must come to the full Board. Any item not in the capital budget which costs more than \$25,000 must be approved by the Finance Committee and then ratified by the full Board. Mr. Storer seconded the motion.***

Dr. Peimann made an amendment to say "any item not in the capital budget which costs more than \$25,000, must be moved by the Finance Committee and then approved by the Board." The amendment was accepted and approved by a roll call vote.

Mr. Bomengen said the one concern she had was keeping track of what's happening to our capital budget. She would feel better if there was some ongoing reporting that we were getting about what was already expended from the capital budget as part of the finance report. This information will be requested at the Finance Committee.

Office of Rate Review – Dr. Malter said Mr. Brough reported about his ongoing negotiations with the State Medicaid program and the Office of Rate Review. We received some reconciliation payments from recent reviews. He told us how we are still going forward with two or three reviews. Dr. Malter found it interesting that we have simultaneous reviews going on about 2011 and 2012 and some of the reviews are contingent on getting other reviews finished early. It's very complex with all the reconciliations with the state and the feds. He said it tended to go a little more smoothly with the Feds on the CMS side then on the Medicaid side. He was hopeful that was going to change.

The Board asked the Finance Committee to update them on the Electronic Health Records System. Administration feels they have gotten different signals from the Board as to the way we want them to proceed. Dr. Malter asked Ms. Thomas if she would like to discuss this matter tonight. Ms. Thomas asked Ms. Harff what her recommendation was. Ms. Harff said her

BOD Minutes August 27, 2013

recommendation was to stay with the companies the group had already put a lot of work into and have them get back together to look at what Meditech has come up with and what Cerner Works can offer. Ms. Harff was recommending that Mr. Gardner get the clinical people together to make the final decision. Mr. Brough is working on numbers to see what the hospital can afford. This issue will be brought back to the Finance Committee.

Quality Committee – Ms. Davis reports

The Quality minutes were included in the packet for review. Ms. Davis said it's really good to hear that every department in the hospital is working on an improvement goal. We are holding steady on some of our core measures. Our patient satisfaction is holding steady at a good high level. The committee is working on how to acknowledge and better broadcast these quality measures and quality improvements to the Board and the community. They are looking at a document called Boards on Board which has to do with quality board participation.

Dr. Peimann asked Ms. Davis if using patient encounter and patient experiences is still being discussed. Ms. Davis said they discussed ways to solicit better information from patients. Ms. Rogers gave Ms. Davis a big document on patient advisory committees. There was discussion about Board members going to the patients instead of the patients coming to the Board. Ms. Davis said there is room for Planning and Quality to work together on this.

Physician Recruitment – Ms. Bomengen reports

The Committee discussed recruiting for another pediatrician. In the 2012 survey there was a deficit of 1.9 pediatricians and we have lost 4 since then. The pediatricians are asking for the Board to help in recruitment for both practices. The issue of covering call was also discussed. We don't have adequate coverage in the community for pediatric call. There is concern with general surgery call coverage, but the surgeons don't feel the need to recruit a full time general surgeon.

Ms. Bomengen made a MOTION to assist within our legal parameters and the appropriate guidelines to recruit two pediatricians for the community with the understanding that will also be with the objective meeting Bartlett's need for pediatricians on call. Ms. Davis seconded the motion.

Discussion:

Ms. Borthwick asked if this falls within our budget. Ms. Bomengen said we have a recruitment budget. Dr. Malter said he thought he saw a number of \$200,000 in the operating budget. Ms. Harff said yes that was correct. That would be for all of the recruitment for the year.

The motion passed by a roll call vote.

The Committee also discussed the potential need to recruit for general surgery. One of our surgeons will be going on a half time schedule spending half the year here and the other half out of town. The surgeons said it might not be appropriate to recruit more surgeons. They discussed call issues because of the small numbers of general surgeons in the community. Psychiatry recruitment was also discussed. There was a candidate site visit. We have offered her the position, but she hasn't gotten back to us yet.

Dr. Peimann asked about the general surgeon that is employed by us and going to half time. He feels it doesn't speak to the organization looking for situations that actually improve and allow for adequate coverage of essential services. At what point would we get a recommendation from Administration about the potential employment for someone who wasn't going to be present in the community for six months. Ms. Harff stated that we have not approved anything at this point. There hasn't been a firm decision. We need to do further follow-up with the Board on what we can do with employed surgeons.

Bylaw Committee – Ms. Borthwick reports

BOD Minutes August 27, 2013

Ms. Borthwick addressed the changes to the Bylaws.

Ms. Borthwick made a MOTION to approve the changes of the Bylaws that have been presented to the Executive Committee and put into the packet. Mr. Storer seconded the motion and they were approved by a roll call vote. Ms. Borthwick noted that many of the changes came from the committee and then a fair number of them came from the City attorney and the hospital attorney. Ms. Thomas noted that a first reading of the bylaws was presented at the Board meeting in July 2013.

BRH Foundation – Ms. Bomengen reports

Ms. Bomengen reminded everyone about the gala seafood at the tram on September 7, 2013.

Medical staff report – Dr. Ben Miller reports

There was a change to the Rules and Regulations to the Medical Staff. The addition reads as follows:

Patients presenting for care in the emergency department are the responsibility of the Emergency Medicine practitioner assigned to the case. If the emergency practitioner believes that the patient's condition warrants urgent or emergent consultation and/or admission by a member of the Active Medical Staff, the emergency practitioner shall contact the on-call provider and request consultation or admission.

- a. If two or more providers dispute appropriate consultation or admission responsibility, the emergency physician will determine the most appropriate provider to consult or accept the case, and has the authority to require any or all providers to evaluate the patient.

Ms. Borthwick made a MOTION to approve the changes as presented. Dr. Malter seconded the motion.

Discussion:

Dr. Malter asked if there were big reservations expressed by a substantial part of the Medical Staff by this change. Dr. Miller said yes there was a lot of reservations and a lot of concerns, but it's an attempt to move forward and to come to a solution and hopefully we can work through that as a medical staff.

Ms. Bomengen asked what the problem is. Dr. Miller used an example of when a patient has needs an orthopedic surgeon, but also has health issues. The way it was is the surgeon would be taking care of the patient for the multiple issues and not just doing the surgery. Now a family practice physician will have come take care of the patient for the other problems.

Dr. Peimann said it's what is the best is for the patient.

The motion passed by a roll call vote.

Ms. Thomas said we discussed call in Joint Conference and decided to set up an ad hoc committee spearheaded by Dr. Peimann. In the last month things have really heated up. We received letters from general surgeons and orthopedic surgeons. Dr. Miller said somewhere we need to come to an agreeable common ground. The MSEC had an emergency meeting to discuss this. Dr. Malter asked what essential service is a concern. Dr. Miller said orthopedics. Dr. Malter asked who decided what is considered an essential service. Dr. Peimann said he believes it's part of our agreement with our trauma designation that we have outlined orthopedics as an essential service with 24/7 on call coverage.

Mr. Reynolds made a MOTION to adopt Dr. Miller's recommendation on behalf of the Medical Staff executive committee to require that physicians take eighteen (18) days call

BOD Minutes August 27, 2013

per quarter, distributed proportionately between weekends and weekdays. Dr. Peimann seconded the motion.

Discussion:

Ms. Harff said Dr. Miller met with the medical staff and they outlined the 5 essential services to be:

1. General Surgery
2. Orthopedic
3. OB
4. Pediatrics
5. Anesthesia

Dr. Bozarth asked Ms. Thomas if we could go into a brief executive session.

Dr. Malter asked if the Board could move into executive session or another forum to let the physicians that were in the audience speak to this issue. Ms. Thomas looked to Mr. Monkman for direction on moving into executive session. Mr. Monkman said this is not a confidential issue and it needs to be discussed in open session. Dr. Malter said he understood there won't be an executive session, but could the Board entertain another public session to give them the opportunity to speak. Ms. Thomas asked the physicians if there is any reason they feel the need to discuss what they came to say in executive session and they said no. Ms. Thomas opened the discussion to any physicians desiring to speak that were in the audience.

Dr. Dostal – He mentioned that a previous interim CEO told him he's never seen a medical staff treated so badly by an institution it serves. He said that interim CEO is the one responsible for getting the medical staff a physician lounge and that was the nicest thing that's ever happened to the medical staff since he has arrived here. We have had several administrations since then and things have not gotten better. He would like to go to an institution where he wants to be rather than where he's made to be. Other hospitals work very hard to get physicians into their institutions because there is competition, but there isn't competition at BRH. The issue to be paid for call keeps getting tabled. He has talked to every administrator that's worked through here and nobody wants to address it. It's happening all over the country. We don't need to reinvent the wheel. He would like to see the Board come up with "these are the essential services we want, and this is how we are going to cover them". He feels compelled to bring this up to the Board again.

Dr. Bozarth – He said a lot has changed in the last 8 years in our medical community. He said he reviewed his records for the last 4 years and 85-90% of the patients are Medicare/Medicaid or self-pay. He sees those patients as a loss. He's on call for Petersburg, Haines, Hoonah, Sitka, and Skagway. He gets phone calls all night. His liability profile has gone through the roof. He provides several days for uncompensated care and uncompensated call. He said we tried to get a Hospitalist program to help care for sick patients that they didn't feel comfortable caring for. That never happened. Where the adversity lies is they feel like they are on call for the cruise industry. From May through September he has 65-95 year old patients with broken hips. They stay for 2 weeks and it's free care and essentially he's compensated \$500-600. This whole scenario over 8 years, it's less than attractive to want to take call. There's an adversarial relationship between the Orthopedists of JBJC and to a certain degree this hospital. Part of that is based upon prior history, call, dealings they have had with JEMA, Administration, across the Board. It's never healed. Part of the problem is monetarily we lose a significant amount of money. It's not providing service to the community. They take care of everyone that comes through their door whether they pay or not. The ER has provided a significant impact of the quality of their lives. These are calls that happen every day and every night, not once in a blue moon.

BOD Minutes August 27, 2013

Dr. Wagoner – As the only Gynecologist in town, she gets calls from the ER all the time saying “I know you’re not on call, but” She has never refused to come to take care of a gynecology patient since she’s been here as long as she’s in town. She doesn’t drink here because it wouldn’t be safe because when they need her, they really need her. It’s not very often, but she takes that responsibility very seriously. She puts her name on the call schedule when she knows she’s going to be in the OR anyway. If she puts her name on the call schedule when she doesn’t have patients she’s responsible for, it means she needs to be within 30 minutes of the hospital at all times. It means she can’t go on an impromptu boat trip or an impromptu hike on a nice day. She is willing to be on call all the time if we need a Gynecologist, however, she also wants to be able to be free to leave when she wants to. As far as this mandatory 6 days a month is a concern. She finds it very offensive. She will be here and she will come to the hospital. For solo practitioner’s to require a rigid call schedule, she doesn’t feel that it acceptable.

Dr. Malter – This is clearly complex and he appreciates the fact that MSEC went out on a limb and came up with a proposal to get the discussion going. He feels it’s a little unwise for the Board to summarily accept the MSEC’s definition of what’s an essential service. He believes Ms. Harff said there are similar hospitals our size that don’t think orthopedics are an essential service. The Board is potentially on the hook for it. He said they want to be really careful about handing the definition of what they are going to pay for to the Medical Staff. Dr. Malter said if the question was could we remain a trauma center vs. having to pay 5 orthopedists. It’s not completely clear to him that we would want to keep a certain designation. That said, he thinks before the Board accepts a recommendation from the MSEC about what’s an essential service, we really need to have a more thoughtful discussion with input about the implications of that with Administration. His recollection is that MSEC floated some similar proposals to the Medical Staff over the past few months and his general impression was the Medical Staff did not support them. We should be aware that we are taking the input of a committee that “in theory” represents the Medical Staff, but the Medical Staff is really the decision/ policy making body and they didn’t vote for this. We are voting for something that the Medical Staff has not been convinced of. Other specialties generally take calls even when they aren’t on call, but if we mandate them to put a number of days on the schedule, they might say, well now you get my service for however many days a month I’m being forced to put my name down, whereas before we might have had them for 20 days a month (by not mandating they take 6 days a month.)

He feels we should have the sub-committee we discussed at Joint Conference, to discuss this further.

Dr. Miller said he agrees mostly with what Dr. Malter said, however we are going to have big holes in our call schedule and they keep getting bigger and bigger.

Dr. Peimann said he understands Dr. Malter’s perspective. He said he feels the proposal the MSEC brought forward seems very reasonable. It allows people an opportunity to make up the call within the three months so they have flexibility to enjoy the lifestyle they are used to.

Dr. Dostal said it was his understanding that this was a proposal not brought by the Medical Staff, but by the MSEC just for the Board’s consideration to see if they would consider it then bring it back to the Medical Staff, but not for the Board to vote and say we demand this from the Medical Staff. Is that correct?

Dr. Miller said he brought it to the Board to do what you wish to do with it. The Medical Staff has not voted on it nor have they had a meeting about it. Whether you support it or not is up to you. He will take the Board’s recommendation back to the Medical Staff to discuss next week.

Ms. Davis asked if was their discussion at the MSEC about the single specialties and how they picked that number per month, or how that would play out.

Dr. Miller said right now they all fully meet the requirements. The average was between 6-8 required calls. The six days would be scheduled on the calendar.

Ms. Davis asked what the impact is on a patient that comes in and needs that specialty services and there is nobody on call, is the choice left to medevac them or to delay their care.

Dr. Miller said that's the choice we have right now.

Dr. Malter said keep in mind that it doesn't end up fair either way, whether it's a large group, or a small group. He doesn't feel its right to mandate how many days they are giving up of their month, especially when some of the folks making the recommendations from the MSEC aren't on call.

The Board took a recess at 7:00 p.m.

The Board came back in session at 7:10 p.m.

Mr. Storer made an amendment to initiate this on a one quarter basis and it becomes permanent absent a solution from the medical community and for this quarter no remuneration is involved. Ms. Bomengen seconded.

Ms. Harff said if we don't have orthopedic coverage, we will have patients medevac'd out. Ms. Harff questioned whether this would be a Medical Staff bylaw change. Mr. Monkman said he didn't understand this to be a bylaw change, but rather a hospital requirement. Ms. Davis asked if the consequence affects the privileges of the physician. Mr. Monkman said not abiding by the hospital call schedule could be grounds for physician discipline which could mean be anything from a letter of reprimand to revocation of membership or privileges. Some are considered adverse actions and some are not.

Mr. Reynolds accepted the amendment by Mr. Storer.

The motion now reads: The Board accepts the recommendation on behalf of the Medical Staff executive committee to require that physicians take eighteen (18) days per quarter, distributed proportionately between weekends and weekdays. This will be for one quarter starting October 1st, 2013 ending on December 31st, 2013 no remuneration is involved. If there's no input from Medical Staff this motion becomes permanent hospital policy until another Board votes differently. The motion passed by a roll call vote of 6 in favor 1 abstention and 1 against.

Dr. Malter made a MOTION at 7:35 p.m., to go into executive session to discuss matters in the immediate knowledge which would have an adverse impact upon the hospital's finances and matters which are confidential by law. This will include the following subjects;

- Credentialing report
- Updating the Board on the CEO's plan to address workplace concerns
- Discuss CBJ and ERH services

Dr. Malter MOTION Kristen seconded and it was approved.

The Board came out of executive session at 8:15 p.m. to extend the meeting for 30 minutes.

The Board came out of executive session at 8:40 p.m..

Dr. Malter made a MOTION the Board approve moving forward with a shared services legal agreement for legal services from the City and Borough of Juneau in the amount not to exceed \$100,000 this fiscal year for term not to exceed two years. Mr. Storer seconded and it was approved by a roll call vote.

Ms. Thomas reported that SEARHC is discontinuing management of the Front Street Clinic in October. SEARHC would like to meet with BRH to discuss a continuation of services. She read an email from Dan Neumeister from his conversation with Billy Gardner. There is a coalition meeting scheduled for September 4th at 10:00 a.m. The contact for us to communicate with in regards to this situation is Dan Austin, Coalition Spokesperson and General Manager of St. Vincent DePaul. They will continue to provide care to SEARHC patients at their clinic. Ms. Harff will provide more information at the Executive Committee.

Dr. Malter made a MOTION to extend the meeting until 8:55 p.m. Ms. Bomengen seconded and it was approved.

Board comments:

Mr. Reynolds asked for everyone to return their questionnaires regarding Board Governance as soon as possible.

Mr. Storer addressed the term limits. He sits on an investment committee back East and they have a ten year term limit. They serve one year for their first term, then three, three year terms. The point in doing that initially is it gives them the need to evaluate their participation and it also gives the committee members a chance to find out how much work and overwhelming it can be.

Dr. Malter asked Ms. Harff since our budget is looking a little better; he encouraged her to look at loosening up on the education for staff. Ms. Harff said she would look into it.

September calendar was reviewed and changes were made.

Adjourned 8:53 p.m.

Secretary