

# Bartlett Regional Hospital

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

Board of Directors  
February 26, 2013  
Robert Valliant Center

## Called to order at 5:15 p.m.

### Roll Call

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

### Absent

Nate Peimann, MD

### Also present

Chris Harff, CEO,	Ken Brough, CFO
Norma Adams, HR	Billy Gardner, DON
Toni Petrie	Kathy Callahan, Director of Physician Services
Karen Crane, CBJ Liaison	

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

### Public Participation – None

Max Mertz, CPA with Elgee, Rehfeld and Mertz attended the meeting to discuss our annual audit. He explained they audit BRH by virtue of the CBJ contract. They do audits on many of the hospitals around the state and most of them have separate audits, but with BRH's financials, they are part of CBJ's financial statements. That's good in one respect; they were able to use the CBJ's umbrella when they do their Federal and State grants. Those are all driven by dollar thresholds and because of that they do significantly less test work on our grants than they would have to if they had to do BRH as a separate entity. They started in July and came back in early October to do the bulk of the work. They did their final work in December.

Mr. Mertz noted the audit for BRH went very smoothly. He said the staff did an excellent job. It was the first year with a new controller and he gave Mr. Wanner kudos for all his work.

There were numerous issues in findings that they presented to the CBJ Assembly. Two of those findings directly related to BRH. One was closing CIP projects; the other was cash accounts control. One of the recommendations from the auditors to CBJ was to evaluate with BRH management whether there is any value or benefit to move the operating cash from CBJ Treasury to BRH to manage. The CBJ Finance Director Bob Bartholomew and CBJ Manager Ms. Kiefer feel they should get caught up on the reconciliations first, then at that point reevaluate. Mr. Mertz then went over a power point presentation on the Comprehensive Annual Financial Report (CAFR) explaining how the financial breakdowns are done with the Enterprise Funds of CBJ.

### BOD Minutes February 26, 2013

Ms. Thomas asked Mr. Mertz, if the grants which were excluded from the CBJ audit, would he recommend we consider doing them. Mr. Mertz responded no.

Ms. Thomas asked in the net asset amount, what's not included in that amount. Mr. Mertz responded what's included in that numbers are the cash outlays for all the property and equipment since its inception, less sold or retired, less depreciation. He's not sure if there's land in that, but he doesn't believe there is. The core campus may have pieces in there at no or low cost. Linda asked if Max could follow up with CBJ on that question.

**Approval of Minutes – Dr. Malter made a MOTION to approve the minutes from January 22, 2013 Board of Directors meeting. Ms. Borthwick seconded the motion and they were approved as amended.**

**Medical Staff – Dr. Ben Miller reports**  
Dr. Miller presented the Credentialing Report.

**Reed Reynolds made a MOTION to approve as the Credentialing Report with the amendment that Mary Ellen Arvold is a Nurse Practitioner, not a physician. Dr. Malter seconded and they were approved.**

Dr. Ben Miller presented a change in the Medical Staff Rules and Regulations that adds under Consultation a number 5 – when appropriate specialists or consultants are not available locally, the attending staff member shall obtain consultation from a provider at a referral institution.

**Dr. Malter made a MOTION to approve the Rules and Regulations change. Mary Borthwick seconded and it was approved.**

Dr. Ben Miller announced the On-Call Committee is still working on the call issue and will present recommendations to Administration.

**CEO Report – see attached report**

Ms. Thomas reported there was a letter drafted to Ms. Kiefer, City Manager, regarding the upcoming House Bill that hasn't been introduced yet. The letter wouldn't specifically be for a certain House Bill, but one that would recommend this issue be addressed and CBJ be supportive of the issue. The letter addresses Critical Access Hospitals and their reimbursement.

The second letter was regarding the Medicare outpatients hold harmless provision which was not to be extended as part of the "fiscal cliff" legislation, has a major impact on BRH as well as other hospitals. The effect to us is over \$1.3 million dollars for each of the last two years (\$2.6 total). We have asked the Mayor and CBJ help us seek some form of relief and potentially help phase in and get the Lobbyist working on this.

Dr. Malter asked when we discussed this with our delegation, had we gotten the impression that our delegation was supportive. Mr. Brough hasn't had the opportunity to speak with them directly. The information he's gained has been from Soldotna; they have been educating the congressional staff who have been receptive to the fact that this has been a hardship for us. They will try and do what they can. The City requested this letter be sent in order to pursue legislative lobbying.

Karen Crane announced that Senator Begich will be in town March, 3, 2013 from 4:30-6 at Zen Restaurant and it might be a good time to discuss with him..

**BOD Minutes February 26, 2013**

Orthopedic Dr. meeting – Ms. Thomas, Ms. Harff, Mr. Brough and Mr. Storer met with two of the orthopedic physicians. We have asked them for data, they have asked us for data. We are looking at the impact of the options.

**Executive Committee** – Linda Thomas reports

Ms. Thomas read the draft Mission Statement that was approved by the Planning Committee. Bartlett Regional Hospital provides its community with quality, patient centered care in a sustainable manner. **Mr. Reynolds made a MOTION to approve the Mission Statement. Dr. Malter seconded and it was approved by a roll call vote.**

The Executive Committee requested the Board finalize the Objectives under each of the six Strategic Goals presented to the Board.

The Board discussed each objective.

**Ms. Borthwick made a MOTION to approve the strategic goals as discussed, with the exception of items assigned to the Quality Committee: specifically Goals 3 (Improve quality and achieve efficiencies through standardization; and Goal 4: Improve quality and Patient Experience. Mr. Reynolds seconded the motion and they were approved by a roll call vote.**

**The Quality Committee will report back on their suggested objectives for their goals.**

The renewal Alpine Dermatology Lease Space Agreement and Billing Agreement were presented for approval.

**Linda Thomas made a MOTION to approve the Alpine Dermatology Leased Space Agreement and Billing Agreement. Dr. Malter seconded and it was approved by roll call vote**

Ms. Thomas gave a recap of the meeting that the Board had with the CBJ Assembly. Ms. Thomas asked Ms. Crane her thoughts on the meeting. Ms. Crane suggested that perhaps the Board and the Assembly should have their collaborative meeting more than once a year.

Assembly member, Johan Dybdahl, wanted to know where he could find what services BRH provides.

Assembly Nankervis asked the Board what the pros and cons were about a community owned hospital. Linda feels we need to have some more substantive research done.

Ms. Thomas would like for us to know what the community would lose and what it would gain if we were part of a larger hospital system. The Assembly would also need to be educated on this. Dr. Malter asked if there has been any discussion in committee meetings where this issue was raised.

Board Term limits – Ms. Thomas would like to turn this item over to the Planning Committee, as they are handling the Governance issue.

Also requested were some suggestions or recommendations on how to deal with the additional costs of RRC that normally wouldn't be under a hospital's purview. This item will fall under the Finance Committee to work on.

Mayor Sanford asked how we can continue to improve communication – Ms. Thomas reported this will be referred to the committee that's dealing with Community involvement.

Ms. Borthwick asked what the goal would be to meet with previous Board members – Ms. Thomas reported that this will further the goal of increasing stakeholder and community engagement. .

**BOD Minutes February 26, 2013**

**Planning Committee – Ms. Davis reports**

The bulk of the work that was done during the committee meeting was how to articulate our Mission Statement.

**Finance Committee – Dr. Malter reports**

The Financial statements were reviewed. See financial statements in the packet.

Bond Defeasance is on track.

Cerner – we are waiting for the renegotiated amount.

Administration is moving ahead in selecting one of three GPO's – one is affiliated with VMMC, one with Providence and the other has no affiliation.

The CBJ attorneys have been invited to the March Board meeting to gain perspective with regard to the OIG issue.

The Hospitalist program was discussed. The Hospitalist Committee submitted a job description to Administration for review.

Mr. Brough reported that we need to get moving on the GPO and we need to get the Board's input to get the contract in place. It's going to take up to 60 days and our current GPO terminates March 31, 2013. Amerinet is the smallest of the three players. VHA, aligned with Providence, both have a lot of Alaska experience. MedAssets doesn't have alignment and do not have a presence in Alaska. Mr. Brough has had experience with all three. Amerinet is known for having the best customer service, but the pricing is high. MedAssets has better pricing, but not as good of customer services. VHA seems to be in the middle. VHA doesn't send their representatives on site quite as often, which keeps their pricing down. Management is recommending we go with VHA because of their presence in Alaska. Ms. Thomas recommended the Board direct the Finance Committee to make a recommendation for the GPO.

Ms. Davis asked what the difference is with the shipping of supplies and wanted to know if it is equal. All three have similar programs to offer in that regard. Most of the supplies will come through a distributor so those supply channels are worked out ahead of time.

***Ms. Bomengen made a MOTION that the Board directs the Finance Committee to approve a GPO in a timely fashion. Mr. Reynolds seconded the motion and it was approved by a roll call vote.***

Ms. Borthwick noticed a slight improvement on A/R days. Mr. Brough said we have some work to do and with Xtend we are making some progress. Mr. Brough reported that we need to get the new Revenue Cycle Director on board, but they are in very high demand.

***Dr. Malter made a MOTION to approve the financial statements. Ms. Morton seconded and they were approved.***

**Joint Conference – Ms. Thomas reports**

Ms. Thomas gave an overview of the joint meeting the Board had with the Assembly on February 20, 2013.

Ms. Thomas went over the six strategic goals the Board approved at the January Board meeting with the committee.

There was some discussion regarding radiation oncology. The medical staff would like Administration to get more information on the clinic that will be opening in Juneau.

The group decided it would be best to continue meeting with this Committee on a quarterly basis.

**BOD Minutes February 26, 2013**

**Bylaws Committee** – Ms. Borthwick reports

There isn't anything to report at this time, but hopefully at the March meeting.

The Board took a 5 minute recess at 6:45 p.m.

The Board came back into session at 6:50 p.m.

**BRH Foundation** – Ms. Bomengen reports

The Foundation discussed their upcoming fundraising events. The biggest one is the Fahrenkamp putting tournament in March.

They are gearing up and planning the Alaska Women's Expo to be held on April 6<sup>th</sup>.

They are also working on the Edelman scholarship award, The applications are due April 30<sup>th</sup>.

**RRC Advisory Board** – Ms. Morton reports

The Committee started doing meetings on a quarterly basis. Joe Zuboff is now the Chair; Julia Erickson is now the Vice-Chair. They are changing the reporting basis to quarterly rather than monthly. In 2012 RRC served 290 individuals.

Ms. Thomas reported the Board will receive a draft of the Administrative Succession Plan from the Vice-President and Secretary, and hopefully approval within the next month.

**Other Business**

The March and April calendars were reviewed.

**Board Comments:**

Dr. Malter encourages the entire Board to attend the next two Finance Committee meetings because it will evolve around the budget.

Mr. Reynolds thanked Dr. Malter for his handout and reference manual called Health US 2011.

Mr. Reynolds thanked Jim Strader for the Housecalls Publication recently put out.

Mr. Storer reported the Bond Defeasance was completed to today, saved by BRH was 3.4 million.

Ms. Thomas was sent a special invitation from Johnson Youth Center to attend tomorrow, February 27<sup>th</sup> between 3-5 to celebrate the new remodel of their facility.

***Dr. Malter made a MOTION to go into executive session to discuss matters that could have an adverse effect on the finances of the hospital. Ms. Borthwick seconded the motion and it was approved.***

The end of the agenda was met and the meeting adjourned at 7:33 p.m.