

Bartlett Regional Hospital

Minutes

BOARD OF DIRECTORS MEETING

February 26, 2018 – 5:30 p.m.

Robert F. Valliant Boardroom

CALL TO ORDER – The Board of Director’s meeting was called to order at 5:30 p.m. by Rosemary Hagevig, Vice-President.

ATTENDANCE

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| Lance Stevens, President (via telephone) | Bob Urata, MD, Secretary | Deb Johnston |
| Rosemary Hagevig, Vice-President | Brenda Knapp | Lindy Jones, MD |
| Mark Johnson (via telephone) | Kenny Solomon-Gross | |

ABSENT

Marshal Kendziorek

ALSO IN ATTENDANCE

| | | |
|------------------------------------|---------------------------|-------------------------------|
| Chuck Bill, CEO | Kevin Benson, CFO | Megan Costello, CBJ Law |
| Dallas Hargrave, HR Director | Bradley Grigg, CBHO | Don Schneider, MD, COS |
| Rose Lawhorne, Assistant CCO | Megan Dihle, RN | Liz Bishop, Med/Surg Director |
| Anita Moffitt, Executive Assistant | Scott Chille, IS Director | Deb Manowski, RN |

APPROVAL OF THE AGENDA – *Ms. Hagevig made a MOTION to approve the agenda as presented. Dr. Urata seconded and it was approved.*

PUBLIC PARTICIPATION – Robert Scanlon, CEO and Chris Mello, Vice Board Chair of the Blood Bank of Alaska (BBA) spoke about a mandate they were issued to serve the state of Alaska. They currently serve 21 Hospitals in the state but do not serve SE Alaska. BBA recently opened a collection center in Juneau and would like to have Bartlett Regional Hospital (BRH) become one of their client hospitals. If BRH agrees, BBA would turn Juneau’s collection center into a distribution and production center. BBA acknowledged they are more expensive than BRH’s current supplier and outlined advantages to using a local supplier with readily available supplies of blood, plasma and platelets. Discussions were held about platelet supplies, the reasons BBA is more expensive and the need for BBA to have BRH’s support.

BOARD EDUCATION – Liz Bishop, Medical/Surgical Director and Megan Dihle, RN presented the Medical Surgical Unit’s Knowledge Survey: Identifying Areas of Strength and Needed Improvement goals and action plan. The goal is to improve the knowledge base of all unit staff and implement evidence based practice through monthly educational classes on its unit. Overviews of the data analysis, change management action plan, challenges and barriers as well as the activity summary were provided.

CONSENT AGENDA – Dr. Urata made a MOTION to approve the consent agenda as presented. After acknowledging the successful Nuclear Regulatory Committee inspection and posing a question about Psychiatry Locum Tenens coverage, **Ms. Knapp seconded the motion and it was approved.**

OLD BUSINESS – Mr. Bill reported that Strategic Planning-Focus and Execute was left on the agenda to encourage Board members to look at Focus and Execute. Quarterly in-depth progress reports will be given to the Board.

NEW BUSINESS – In an effort to become more strategic during board meetings and allow the Board more time to look forward, draft minutes from committee meetings will be moved to the consent agenda and verbal committee reports will no longer be given. Action items moving forward from committees to the Board for approval will be listed under *New Business* in future agendas. The process for removing an item from the consent agenda for further discussion was explained.

Medical Staff Report – Dr. Schneider reported that at the February 5th Medical Staff meeting, the progress on the Tele EEG program was discussed as was dialysis services. Due to the certification status of the dialysis center, they are only able to provide dialysis treatments to outpatients. An inpatient in need of dialysis would be medevac'd to another facility if not well enough to be discharged.

Executive Session – Ms. Johnston made a MOTION to go into executive session to discuss the credentialing report, patient dashboard and legal case review. All of which are confidential by nature and protected by law. Ms. Knapp seconded and motion approved. The committee entered executive session at 6:14 pm and returned to regular session at 6:46 pm.

Ms. Knapp made a MOTION to approve the credentialing report as presented. Dr. Urata seconded and it was approved.

CEO Report – Mr. Bill provided feedback from his most recent conversation with the BBA. He noted that BBA prices were 35% - 40% higher than our current supplier when the contract went out to bid, he requested and is waiting for current pricing to be provided. Mr. Stevens had also requested current pricing and not received it. Dr. Jones initiated a conversation about platelet supplies and shelf life. Conversations will be held with BBA as well as our current supplier about meeting our platelet needs.

Title 40 - Changes to Title 40 had been approved by the Governance Committee and forwarded to the Board for approval. Ms. Costello provided an overview of the most recent proposal and the reasoning behind it. Dr. Urata requested a review by the medical staff before the Board takes action. The Board agreed to delay action.

Cash Reserves – A white paper with recommendations for cash management from Mr. Benson was reviewed. Discussions regarding designation of cash reserves, the amount of cash on hand, funded depreciation, budget reserves, alignment with CBJ and investment strategy were held. Mr. Benson noted the purpose of doing this is to align our operating and capital funds with different investment options; long term vs short term. As a financial benefit, placing funds in a Board designated fund for capital improvement, protects the interest income against the offset of our interest expense. This results in an additional reimbursement to our Rural Demonstration Project.

Dr. Urata made a MOTION to transfer \$11 Million from the Operating Cash to Board Designated Funds increasing the Board Designated funds to \$47 Million. Ms. Knapp seconded. Discussion was held about proper language. Mr. Benson explained that Board Designated funds for capital improvements is a CMS regulation, not CBJ. Designated Funds are a reimbursement issue and different from restricted funds. ***A rollcall vote was taken. The motion passed unanimously.*** This issue will go back to the Finance Committee to come up with a plan for designations and investments.

Mr. Bill reported that he and Mr. Hargrave have been working with Modern Healthcare magazine and have submitted an application to be considered as one of the top 100 places to work in Healthcare.

Mr. Bill also reported that today was the first day of ASHNHA's State Legislative Fly-in. Among topics discussed by Al Wahl, Deputy Commissioner who oversees Behavioral Health, was the 1115 waiver, discussions with CMS regarding bundled payment methodologies and the status of Alaska Psychiatric Institute. A presentation about the managed care demonstration project that will take place in Anchorage was provided.

COMMITTEE REPORTS

- Planning Committee – Mr. Solomon Gross reported that Planning Committee met on January 28th. Mr. Benson had been asked to put together the whitepaper regarding restricted funds previously discussed. Also discussed were RFPs to update the master facility plan and construction of the Detox and Assessment Center.
- Governance – Ms. Knapp reported that changes to Title 40 had been approved to move forward to the Board for approval. Also discussed was the cash reserves issue and the Board's role of physician oversight. This will be brought back to the committee before going to the Board. Several Board members will attend a Governance Institute Leadership Conference in April to learn the roles and responsibility of the Board. The committee is beginning to take a look at possible affiliation models.
- Quality Committee – The Quality Committee met on January 9th and approved the Calendar Year 2019 Quality Management Plan, Risk Management Plan and Infection Prevention Plan evaluation move forward to the Board for approval.

Mr. Stevens made a MOTION to approve the CY2019 Quality Management Plan, CY 2019 Risk Management Plan and Infection Prevention Plan evaluation. Ms. Johnston seconded and the motion was approved.

- Finance Committee – Dr. Urata provided an overview of the December financials. BRH did not achieve budget expectations and experienced a Net Loss of \$406,000. Patient day were 15% less than budget due in part to a reduced volume of inpatient surgeries. Total expenses exceeded budget by 0.7%. Year to date income is \$1.4 Million. This is below the budget target of \$1.6 Million. Mr. Benson presented information regarding the Access Passport Electronic Forms software that will allow patients to sign forms electronically.

Dr. Urata made a MOTION to approve the purchase of the Access Passport Electronic Forms software. Mr. Solomon-Gross seconded it and the motion was approved.

Dr. Urata presented a revised version of the delegation of spending authority.

Dr. Urata made a MOTION to approve the delegation of spending authority as presented. Ms. Johnston seconded and the motion was approved.

Mr. Benson provided an overview of the proposed FY20 Budget. He noted the proposed budget has been based on existing operations and adjusted for known changes. He then highlighted key assumptions. Mr. Stevens expressed concerns and a discussion was held about contract labor projections. A discussion was held about the status of the Rural Demonstration Project.

Dr. Urata made a MOTION to approve the FY20 Budget as presented. Ms. Johnston seconded. A rollcall vote was taken. The motion passed unanimously.

PRESIDENT REPORT – Mr. Stevens reported that he has been meeting with Mr. Bill on a regular basis to discuss hospital workings. They are working on the 360 review process for the CEO.

BOARD CALENDAR – The March Board calendar was reviewed.

BOARD COMMENTS AND QUESTIONS - Mr. Bill reported that we are looking to replace Egnyte with the Nasdaq Boardvantage Board Portal included in our Governance Institute membership.

ADJOURNMENT – 8:02 p.m.