

Bartlett Regional Hospital

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Bartlett Regional Hospital Board of Directors Minutes February 25, 2014

Called to order at 5:18 p.m.

Roll call

Present

Kristen Bomengen, President	Bob Storer, Vice President (by phone)
Nancy Davis, Secretary (by phone)	Linda Thomas, past President
Mary Borthwick	Nate Peimann, MD
Alex Malter, MD	Mark Johnson
Lauree Morton	

Absent

None

Others present

Jeff Egbert, CEO	Billy Gardner, CNO
Mila Cosgrove, HR	Toni Petrie, Executive Assistant
Karen Crane, CBJ Liaison	Amy Dressel, MD, COS
Jane Sebens, CBJ Law	Dick Monkman, Sonosky Chambers

Public participation – Barbara Sheinberg with Sheinberg Associates attended the meeting to talk about their work on the Juneau Economic Development Plan for Juneau. Ms. Sheinberg wanted suggestions about which Board members to interview and ask to be involved in this process. They plan on completing this by December. They are starting to work on a baseline inventory analysis for Juneau. By the end of March those results should be available. The second step is a lot of community outreach. The third step is moving from a very comprehensive look to funnel in to a strategic look. For more information, please go to their website at; www.juneaueconomicplan.org.

Ms. Borthwick made a MOTION to approve the minutes from the January 28, 2014. Dr. Malter seconded and they were approved.

STANDING COMMITTEE REPORTS

Executive Committee – Ms. Thomas reports

The committee approved the Disproportionate Share Agreement with the State of Alaska. It's for 700 days instead of the 900 days they paid up to last year for mental health patients. **Ms. Thomas made a MOTION to approve the Disproportionate Share Agreement. Dr. Malter seconded the motion and it was approved by a roll call vote.**

Training on Systematic Consent Building – Ms. Cosgrove said the City is bringing up people to do some training to get a higher level of support for decision making and said board members are welcome to attend. The dates are September 29-October 2nd.

FINANCE COMMITTEE

Since the Finance Committee was not able to meet the previous week, the agenda was added to the regular Board meeting.

Ms. Thomas made a MOTION to approve Finance Committee minutes from the January 23rd Finance meeting. Dr. Malter seconded and they were approved. Ms. Bomengen was not listed in the attendance of the Finance meeting, but she was there so her name was added.

Old business

Independent audit – Mr. Egbert spoke with Max Mertz from Elgee, Rehfeld and Mertz about doing an independent audit for the hospital. Mr. Egbert spoke with the Purchasing Department at the City and that we would not have to do an RFP for this if Mr. Mertz's firm does the audit as they are already contracted with CBJ. The cost would be approximately \$15,000-\$17,000. We don't need to make that decision until July.

Dr. Malter asked what we would get out of it that is different from the one we currently receive from this firm. Mr. Egbert said we would get a more detailed audit that would be specific to the hospital, not combined with the CBJ audit. Ms. Thomas said the auditing firm would provide additional services, a more in-depth disclosure on information.

Ms. Bomengen asked if there is any reason to consider using someone that has healthcare expertise for this audit. Ms. Thomas said this firm is very capable of providing this service.

Dr. Peimann said he supports doing an independent audit with the firm of Elgee, Rehfeld and Mertz. He feels this will be more in depth of knowledge on what the numbers mean. He would appreciate that accountability being held by the Board members.

Patient charges – Ms. Brandt was asked at the January Finance Committee meeting to provide cost estimates for services that we give to patients because a member of the

community wrote a letter to the editor of the Juneau Empire stating we don't give estimates, which was incorrect.

Ms. Davis said since there was an editorial in our newspaper about not being able to get estimated charges from BRH, is there a plan to make this knowledge more publicly available. Mr. Egbert said he would explore this with Mr. Strader, our Community Relations Director.

PERS add on – We are continuing on with a 22% assessment. Ms. Crane said this is a big priority with the Alaska Municipal League. Ms. Crane said worst case scenario is they could come back and raise it to a higher percentage. They are really working on getting the 3 billion dollars put into the fund by the Governor. The state pays everything over 22% currently.

2013 Medavacs – Mr. Gardner reports

He was asked to put together some information on how many medical evacuations (medevac's) we do in a year. The specific question was how many were medevac'd due to staffing. There was only one instance last year where that happened.

Dr. Malter asked if Mr. Gardner could get the numbers of medevac's to compare now to previous years. His impression is we medevac more than we used to. When we think about our utilization it's affecting our bottom line. We should keep track of this to see if there are things we could do differently. Mr. Gardner said he would look into that.

New business

Mr. Egbert announced that Ms. Brandt will not be returning to Juneau since the passing of her husband. She's has been providing support to our Finance Department via phone.

The financial statements were provided in the board packet for review.

Dr. Malter asked why we are so off on the dashboard indicators in terms of specialty clinic visits. Mr. Egbert will look into that and get back to the Finance Committee next month. Dr. Malter also said the numbers show we are doing poorly on staff by patient day.

Mr. Egbert said when the current budget was put together it was distributed across the year; it was entered into it was not spread across the year appropriately, depicting the cyclical nature of our business. Ms. Thomas recalls a discussion at a prior finance meeting we had a heavy usage on the mental health unit which allowed for much higher staffing. Mr. Egbert said we are watching which positions we are replacing and when as they become open.

Dr. Malter made a motion to approve the financials. Ms. Morton seconded and they were approved.

Budget update – It's been a bit of a challenge without Ms. Brandt. Mr. Egbert has finalized the negotiations for an Interim CFO who will start Monday. Mr. Egbert sent his CV to board members. His name is Alan Germany. Ms. Brandt will remain as a consultant to make a handoff of the work that has been done by her and her team. The goal is to have the budget ready by the March Board meeting.

Class and Compensation Study — Ms. Cosgrove wanted to give the Board a heads up that we want to do a Class and Compensation Study. It's a key piece in making sure that our pay practices remain legally defensible. She reported that we currently have 150 separate active classifications spread across 67 active pay grades. Ms. Cosgrove believes that both the number of classifications and the pay grades could be condensed. She reported that her initial research indicates that we can do the study for approximately \$25,000. There is a firm that has qualifications that she has been in touch with who provide an initial estimate. If possible, we would like to have this done before the summer months so it's ready prior to entering into contract negotiations.

Dr. Peimann asked when our last classification survey was done. It was in 2009 by Mercer.

Ms. Borthwick asked how it gets put into effect once it's completed and how do we use it. Ms. Cosgrove said some of it will be used in bargaining while doing union negotiations and some will be analyzed and probably absorbed into pay practices over time.

Dr. Malter made a MOTION to move forward with Ms. Cosgrove's recommendation on the Class and Compensation Study. Ms. Borthwick seconded. Ms. Thomas made a friendly amendment to read not to exceed \$25,000. The motion passed by a roll call vote.

There are two capital expenditures recommended for approval. They are two interim life safety changes noted by the Joint Commission in 2012. They have already been through the Board review process. The first one is fabrication and installation of an exhaust system in the medical gas room and the cost is \$13,957. The second one is for the fire smoke and damper install and the cost is approximately \$22,458.00. These are not currently in the capital budget. ***Dr. Peimann made a MOTION to approve both capital items, one for \$13,957, not to exceed \$14,000 the other for \$22,458.00 not to exceed \$23,000. The motion was approved by a roll call vote.***

GPO vendor evaluation – Mr. Egbert said we are working with two purchasing organizations and we are in the process of looking at the financial performance of both

to hopefully make a recommendation at the March board meeting. We received information back from Amerinet, but we need more information from Novation. When we get a financial person on site, he will look at these and make a recommendation to the Board. Ms. Thomas would like to discuss this further during the Finance Committee as she feels she was given conflicting information.

Cerner funds recovery – Mr. Egbert said we have given several files regarding Cerner to Jane Sebens and Dick Monkman. Once the information is gone through, we will work on the recovery letter to get funds back from Cerner. Ms. Thomas said she wanted to be certain we were not going to go with Cerner before this happens. Mr. Egbert said he feels Cerner is not an option for us because of the price. Meditech is a more likely option for us, whether we stay with Magic or go to 6.1.

Dr. Malter asked if it would behoove us, before the recovery letter goes out, to get the IT Steering Committee to hear the report from Keith Ryan with Cornerstone Advisors, and concur with the report before the attorneys send out the letter. Mr. Egbert said he will be meeting with the IT Steering Committee to go over the report on March 11, 2014.

Quality Committee – Ms. Davis went over the report from the Quality Committee meeting. There has been an increase in falls at BRH, so a concerted effort is being made to develop an active fall prevention program.

There was discussion regarding medication errors that might improve medication safety. Ms. Iha (Pharmacy Director) talked about bar coding. There are several issues around that, like our IT system, electronic health record and how it relates to bar coding of medications. This would be a huge budget issue. There will be more discussion. Mr. Johnson agreed to follow-up with this topic during the IT Steering Committee meeting on March 11th.

The lab will be subject to the American Pathology survey visit in March so they have been preparing for that.

Ms. Davis said there are new National Patient Safety Goals related to clinical alarm safety. Ms. Rogers (Director of Quality) at the Quality meeting proposed establishing clinical alarm safety as an organizational priority by the Board Quality Council. The Patient Safety Committee will identify the most important alarms to manage. There are no known costs associated with this project at this time.

Ms. Davis reminded everyone that on March 12th from 12-2, the first Quality Summit will take place. She encouraged board members to attend.

Dr. Peimann asked Ms. Davis if the alarm initiative is only in CCU or if it would be in all patient care areas. Ms. Davis said Ms. Rogers was asking the committee for their support in moving forward. Mr. Gardner answered Dr. Peimann's question that it will be

hospital wide. There will be bed alarms, chair alarms, wall alarms, etc. The committee will continue to explore this. Ms. Davis asked Mr. Gardner to explore the monitors in the ED.

AD HOC COMMITTEE REPORTS

CEO selection committee

Ms. Thomas said the committee has already met twice in January and four times in February. There have been approximately 68 applicants. Ms. Cosgrove has done some research on the compensation and benefits. Due to the confidential nature at this time, the rest will need to be discussed in executive session.

Bylaw committee – ***Ms. Borthwick made a MOTION to approve the bylaws to go to the Assembly for final approval. Dr. Malter seconded and they were approved.***

OLD BUSINESS

Board education plan – ***Ms. Thomas made a MOTION to approve the options for the Board Education Plan that Reed Reynolds put together during his last year on the Board. Dr. Malter seconded the motion.*** Dr. Peimann made a recommendation to add to the chart, as an early introductory session, the Conflict of Interest training done by the City Attorney.

Ms. Thomas said someone in Administration needs to make sure there is follow-through with this and that funding for it is built into the budget. Mr. Egbert said it's the CEO's responsibility. Ms. Davis mentioned that the term Clinical Microsystems in the chart has been changed to Bartlett Microsystems. She also noted that the chart mentions some sessions be the responsibility of the CIO, and we do not currently have one. Ms. Thomas said this plan will evolve over time. ***Ms. Thomas amended her motion that the Education Plan be approved conceptually with the CEO providing resources to the Board.***

Ms. Borthwick said the Board needs to think about scheduling on the training as it's hard to get everyone together at the same time. Dr. Peimann said this is mainly for our new board members for continuing education. Mr. Egbert said these should be developed into modules. He would envision having the education each month for the Board to review in the Board packets. Mr. Egbert said a lot of this education can be done during regular board meetings.

Dr. Malter said we are wise to have an individual or a group to attend a seminar out of town. He said it's smart for board members to go to different conferences to get information from different places and bring back that information to the Board. He would like to remove the joint attendance at conferences, leaving in the possibility for board members to occasionally attend a conference or workshop when appropriate.

Dr. Peimann disagrees with the removal. He feels one of the biggest benefits he saw when going to a conference together was attending different sessions and then meeting up at the end of the day and bringing back different perspectives. ***The MOTION was restated to read Ms. Thomas amended her motion that the Education Plan be approved conceptually to include joint or individual training and with the CEO providing resources to the Board. The motion passed.***

Mission and Vision Statement - Mr. Egbert asked the Board if they were changing the Vision Statement. Ms. Thomas said we were not planning on changing it at this time. Ms. Morton asked if we should put our goals and objectives under strategic initiatives or just leave it off. Mission, Vision and Values are usually what are posted in other facilities. Dr. Peimann said it's important to have the values on there and the Planning Committee can put it on their agenda.

Ms. Thomas said March 24th is when Foraker could be here to do our next board development training and that might be a good opportunity to bring this item up. Dr. Peimann asked if the Planning Committee could have until April to make a recommendation. The Board agreed.

COMMUNITY BOARD updates

Ms. Thomas reports;

BRH Foundation - A member from the Front Street Clinic attended to speak about fund raising. They have an April 30th deadline with SEARHC; they need \$450,000 a year to operate the clinic. They were hoping the Foundation could help support them.

They are still looking for an Executive Director. They have not received very many applications. They talked about the 2014 calendar of events. There is a wildlife cruise on May 17th that will take place. There is also a freewheeler's charity ride that's being organized. The Fahrenkamp event has been scheduled, date TBA.

CEO REPORT

Mr. Egbert brought three contracts for approval. These have been through Mr. Monkman and Ms. Sebens legal review. They are for David Miller, MD, Alan Schlicht, MD and Amy Dressel, MD. They were approved "conceptually" at the last board meeting.

Dr. Malter said this doesn't get to the bottom of our pediatrician or orthopedic issues. He asked Mr. Egbert if it's a good place to start and he said yes it is. We have to look at physician recruitment. Dr. Malter asked if this is going to open the door to all the doctors to want to be paid for call.

Dr. Peimann said he's happy to see all three contracts before the Board. There are services yet to sign up, but orthopedics has continued to cover the entire month. He

talked with Mr. Egbert about a potential addendum to the General Surgeons contract on the physician duties, Exhibit A, to include Advanced Trauma Life ATLF Certification that is provided by the hospital to obtain a level three trauma designation that will be paid for by the trauma designation funds and to participate in the peer review of the trauma services and other members obtain CME's.

Dr. Peimann made a MOTION to approve the Emergency Room On-Call Panel Services Agreement for Dr. Alan Schlicht's contract with the inclusion a letter F on Exhibit A to read; maintain current Advanced Trauma Life Support (ATLS) certification; voluntarily participate, as necessary, to maintain Hospital's trauma designation; and complete any required continuing medical education as part of Hospital's trauma designation. Ms. Borthwick seconded.

Ms. Thomas asked if there are any physicians that would push back on this for any reason. Dr. Peimann said there might be one.

Dr. Malter said his preference would be for Administration to add the language and not for an individual Board member to amend individual contracts. Dr. Peimann agreed and said the reason he did was because Mr. Egbert asked him to so it wouldn't have to go back through the committee structure and hold it up for another month.

Dr. Peimann made an amendment to his motion to remove the word "voluntarily". Ms. Borthwick agreed. The motion should read; Dr. Peimann made a MOTION to approve the Emergency Room On-Call Panel Services Agreement Dr. Alan Schlicht's contract with the inclusion a letter F on Exhibit A to read; maintain current Advanced Trauma Life Support (ATLS) certification; participate, as necessary, to maintain Hospital's trauma designation; and complete any required continuing medical education as part of Hospital's trauma designation. Ms. Borthwick seconded and it was approved by a roll call vote.

Dr. Peimann made a MOTION to approve the Emergency Room On-Call Panel Services Agreement for Dr. David Miller's contract with the inclusion a letter F on Exhibit A to read; maintain current Advanced Trauma Life Support (ATLS) certification; participate, as necessary, to maintain Hospital's trauma designation; and complete any required continuing medical education as part of Hospital's trauma designation. Ms. Morton seconded and passed by a roll call vote.

Dr. Peimann made a MOTION to approve the Emergency Room On-Call Panel Services agreement as presented for Dr. Amy Dressel. Dr. Malter seconded.

Ms. Morton asked why we weren't adding the same language to this agreement that was added to the other two agreements. Dr. Peimann said pediatricians don't respond to trauma in the ED. ***The motion was approved by a roll call vote.***

Recess at 7:21 p.m.

Back in session at 7:31 p.m.

Continuation of the CEO report.

Mr. Egbert wanted the Board aware of the Annual Employee Award Banquet on April 5, 2014 and invited the Board members to attend and speak to the group as a whole. The IT Steering Committee is scheduled to meet with Keith Ryan of Cornerstone Advisors on March 11th.

Mr. Egbert wanted the Board to understand that at the time of the Compliance Officer's retirement, approximately 30% was actual compliance work and his other duties didn't necessarily pertain to compliance. Mr. Egbert decided to give compliance issues to Sarah Parker, our Risk Manager. He said there is still some work to do in distributing duties, but this seems to be a good solution.

Ms. Thomas said even though the Compliance Officer's time was only 30%, why don't we need to invest more in compliance so we don't have issues like we have in the past that cost significant dollars. Mr. Egbert said it has more to do with a compliance work plan. Ms. Parker will be getting the education in moving forward. It's not a full time job in a hospital our size, but it is a full time responsibility. Ms. Thomas asked Mr. Monkman for his opinion, since he was deeply involved in the OIG issue. Mr. Monkman said it's a good step forward. Compliance is a big topic and all sort s of things covered it's good to have a point person onsite to go to. If another situation happens like that, we need to show there has been a steady and deep compliance effort. The penalties these days for HIPAA violations are astronomical.

Mr. Monkman encouraged the Board and Administration to make it clear to hospital staff if there is a problem, bring it forward right away, and make it clear that there will be no repercussions to the employee.

NEW BUSINESS

March calendar was reviewed.

Chief of Staff report – Dr. Dressel reports

Ms. Borthwick made a MOTION at 7:48 p.m., to go into executive session to discuss matters which are confidential by law. Ms. Morton seconded and it was approved without objection.

Back in session at 7:50 p.m. No action was taken.

Dr. Peimann made a MOTION to accept the Credentialing Report as presented. Dr. Malter seconded and it was approved without objection...

The Medical Staff approved a second reading of the medical staff categories. ***Dr. Peimann made a motion to approve the Bylaws changes that are presented before the Board. Ms. Borthwick seconded and it was approved without objection.***

Ms. Thomas made a MOTION at 8:00 p.m., to discuss CEO recruitment, which include matters which are confidential by law and impact the finances of the hospital. Ms. Borthwick seconded and it was approved without objection.

The Board came out of executive session at 8:20 p.m.

Ms. Morton made a MOTION to go into executive session at 8:20 p.m., to extend the meeting until 9:00 p.m., and it was approved without objection.

Ms. Morton made a MOTION at 8:20 p.m. to reenter executive session to continue confidential discussions regarding CEO recruitment and it was approved without objection.

The Board came out of executive session at 8:45 p.m. No action was taken.

BOARD COMMENTS

Ms. Morton – thanked Ms. Petrie for moving the voting order for each roll call vote.

Ms. Borthwick – we have our Core Values in our board manual and they are on Egnyte.

Ms. Thomas – she would like the Board to have another discussion regarding the Front Street Clinic before they lose SEARHC's funding in April.

Ms. Thomas also said we need to identify who is going to participate in the Economic Development Plan from BRH.

Ms. Davis – she will be glad to be here in person for the March Board meeting.

Meeting adjourned at 8:50 p.m.

Board Secretary