Bartlett Regional Hospital

BOARD OF DIRECTORS
October 21, 2013
5:15 p.m.
Administration Boardroom
Agenda

Mission Statement
Bartlett Regional Hospital provides its community with quality, patient centered care in a sustainable manner.

CALL TO ORDER

ROLL CALL

Public Participation

A. Dr. Haight, Juneau Urgent Care
B. Greg Merrill, Oncology Center update

Approval of Minutes – September 24, 2013 (Pg.2)

CEO report –

President's report – Linda Thomas reports

Executive Committee – Linda Thomas reports (Pg. 10)
A. Strategic planning update

Planning Committee – Dr. Peimann reports
Strategic planning update

Finance Committee – Alex Malter, MD, reports
A. September Financials (recommend approval) (Pg. 13)
B. Strategic planning update (Pg.)

BRH Foundation – Kristen Bomengen reports

Executive session to discuss matters which are confidential by law and impact the finances of the hospital which include;
A. Credentialing report (Pg. 30)
B. CEO selection

Medical Staff – Ben Miller, DO reports
A. Staff Categories
B. Rules and Regulation change (Pg. 31)
C. Bylaw revision

Other Business
A. November calendar
B. Board Comments

Bartlett Regional Hospital

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

Board of Directors meeting
September 24, 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 (by phone)
Mary Borthwick	Nancy Davis, (by phone)
Nathan Peimann, MD	

Absent
Kristen Bomengen

Also present

Christine Harff, CEO	Dick Monkman, Esq.
Karen Crane, CBJ Liaison	Toni Petrie, Executive Assistant
William Gardner, CNO	Amy Mead, CBJ Attorney
Jim Strader, Community Relations	

Approval of the minutes – ***Ms. Borthwick made a MOTION to approve the minutes from the August 27, 2013 Board of Directors meeting. Dr. Malter seconded and they were approved.***

Joint Commission requirement - Bethany Rogers, Quality Director, attended the meeting to discuss a Joint Commission requirement for a quality evaluation of Contracted Clinical Services. What she is proposing after discussion with legal counsel, is to create a somewhat generic clinical service monitoring process where on an annual basis a Bartlett staff employee who is familiar with the operations of that clinical service contract will evaluate the contracts and make sure they are meeting the terms of the contract and that they are meeting the needs for Bartlett from a clinical perspective. Included in the Board Packet were monitoring forms. Ms. Borthwick and Ms. Davis who are on the Quality Committee are aware of this. ***Ms. Borthwick made a MOTION to accept the Annual Evaluation Form and the Addendum. Mr. Reynolds seconded and it was approved by a roll call vote***.

CEO report – Ms. Harff reports
There is a new inpatient prospective payment rule. It's known in the industry as the "two midnight rule". Bethany Rogers and John Wray are following up on this new rule with staff. They will also be attending the Medical Staff meeting on October 1, 2013 and provide information.

Dr. Carrick, the psychiatrist we were recruiting has accepted our offer.

Bethany hosted ASHNA Lean training this month. One of the goals with the training is to use this methodology to improve the documentation process. Billy Gardner is leading that initiative.

Enroll Alaska is an organization that will be working to enroll eligible recipients after the Affordable Care Act takes ahold. Their primary objective is to get the word out that over 66,000 people will now have access to coverage. They have requested a place to work out of the hospital and access to the internet.

Dr. Peimann asked if Enroll Alaska will be onsite for enrollment. Ms. Harff said they will be in all the hospitals in Alaska.

Public participation – Greg Merrill, COO with Southeast Oncology Clinic came to update the Board on the progress of the Oncology Clinic. He thanked the Board for moving forward with the CT upgrade so that it will be ready when they see their first patient. They have completed the paving today. They are working on the interior of the building. Their goal to be open is December 11, 2013. They will be having a grand opening tentatively December 12th. Dr. Gene Huang will be their physician. They will have two therapists, Kelly Smelser, and Alex Goneson. They are currently looking for a front office coordinator.

President's report – Ms. Thomas reports
Board Self-evaluation – The summary of this review will be sent out over the weekend. Ms. Thomas would like to schedule a Board retreat in November.

Executive Committee – Ms. Thomas reports
Ms. Thomas reported that last month the Board approved moving forward with a shared legal services agreement with CBJ Law. We asked CBJ Law to provide us with a Memorandum regarding the services provided with a time certain for the review and discussion for services between the Board and CBJ Law. The Memorandum was received and is in the Board Packet and the time certain for review was set at December 31, 2015. In addition there was a discussion from Administration on a couple of legal issues that are in process with other firms and there was discussion to continue working on those to completion with CBJ Law oversight. Also emailed out today was a letter for continuing legal services with Mr. Monkman's firm. This agreement has been approved by CBJ Legal. The retention fees proposed are similar to those for general matters in the past. This will be reviewed by the Executive Committee and brought back to the Board for approval in October.

Dr. Peimann asked if in the area of union/labor negotiations there was a plan moving forward that we used Sonosky, Chambers. Ms. Mead said HR usually negotiates the union contracts. There usually isn't an attorney involved. There was an attorney that helped BRH in the past. The suggestion was to do as CBJ has done in the past and have HR negotiate the contract to the extent the CEO is comfortable.

Renal Dietician Services Agreement – This agreement was forwarded last month to the Board for approval. There was some confusion if the version in the packet was the correct one so it was held until the September Board meeting for approval. ***Ms. Thomas made a MOTION to approve the Renal Dietician Contract. Dr. Malter seconded and it was approved by a roll call vote.***

Ms. Thomas informed the Board that there was an item that needed to be expedited before the Board meeting and approved by the Executive Committee for upgrades to the CT scanner not to exceed $60,000 in order to meet the timing for the opening of the oncology center in order to provide therapy in a timely manner. Administration has been working on this purchase for several months and have negotiated the cost down. There were questions at the Executive Committee whether this was a Capital Budget item and fell under the Boards requirement for capital approval or whether it was an operating budget item. The question came up if it would cause a delay in approval. The Executive Committee approved the expenditure, in order not to delay in therapy with the oncology clinic on behalf of patient care. It was subsequently verified with our CFO that it was an operating expense, not a capital expense.

Board agenda format – The Executive Committee recommends giving the consent agenda a try, and to have each of the committees weigh in on items that they consider appropriate for a consent agenda. This will be brought back to the Executive Committee to recommend final approval to the full board. Dr. Peimann asked if the compliance report could go on the consent agenda. Mr. Wray said yes. Ms. Morton said a consent agenda would only work if the documents come early enough, not received the day of the Board meeting. Ms. Thomas is going to ask each committee to discuss this and then report back to the Executive Committee. The intent is to improve efficiency at the Board meetings and free up time to focus on issues. Ms. Thomas will refer this to each committee to discuss.

Strategic Goals – The updated goals were handed out. They will be reviewed at the next board meeting. Ms. Thomas reminded everyone that the Alumni reception will be held Friday, September 27th at 6:00 p.m.

Board composition – Mr. Reynolds did a lot of research and work on board makeup, board size and skill sets. The Assembly asked to provide information to help them while interviewing for future board members. ***Ms. Thomas made a MOTION to provide the CBJ assembly with the research and recommendations which indicate that our current Board size and term limit are appropriate and to provide the Assembly with recommendations for skill sets when there is an open position on the Board. Dr. Malter seconded the motion.***

Discussion:

Ms. Davis asked if the Board is prepared to give skill sets recommendations. Dr. Peimann asked if it could be placed on the Executive Committee to provide that information to the Assembly.

Mr. Reynolds said it was intended for each vacancy, the Executive Committee would review the skill sets of the existing Board and any deficiencies in skill sets might suggest be filled with the new appointments.

The motion was approved by a roll call vote of six in favor and one against.

Finance Committee – Dr. Malter reports
The August financials were reviewed. See attached.

Dr. Malter made a MOTION to approve the financial report. Ms. Borthwick seconded and they were approved.

Mr. Reynolds brought up a question regarding patient days statistic. Ms. Thomas asked Dr. Malter to look into the patient days and bring further information to next month's meeting.

Dornoch Fluid Waste Management System – These are suction machines that are used on a daily basis. The systems we are currently using have been recalled and will be shut down this Spring. This item was not in the capital budget because the recall notice came out after the budget was submitted. Ms. Thomas asked Ms. Conway to present a short written summary of the item and the reason that it was unbudgeted for the Board meeting.

Mr. Malter made a MOTION to approve this capital expenditure not to exceed $87,200. Ms. Borthwick seconded. Motion passed by a roll call vote.

Dr. Malter made a MOTION to approve the following support service contracts;

Philips: This package is for support/service for the c-arms (mobile fluoroscopy units) that are used in the OR. There are two c-arms and each has a separate contract. CBJ legal has reviewed and requested changes which have been accepted. The contracts are

for five years and are $49,500 each at $9,180/year.

Agfa: This is a support/service contract for the readers/servers and related equipment that converts the digital image on the cassettes to the image that is viewed on PACS. We need Agfa's support to keep this equipment running smoothly; if we don't have it we cannot produce x-rays. The contract is for four years and is $163,201 or $40,800/year.

Siemens: This is a support/service contract for the MRI unit. The pricing is actually quite good considering the age of the MRI (seven years). We have had very good support from Siemens and anticipate that we will continue to do so. The current contract expires at the end of this month and we will need cryogen fills (for supercooling the unit) and PM's, so we would like to see this contract approved as soon as we can. The contract is for five years and is $658,155 or $131,631/year. There was a discussion at the Finance Committee that support services contracts don't need to come to the Board for approval.

Dr. Peimann said at one point we had a document that showed the MRI machine would be up for replacement around 2013/2014. Have we looked at if this is a better decision than to replace it? It is the understanding of the DI Director that this is the best route to go.

Ms. Borthwick seconded and they passed by a roll call vote.

Electronic Medical Records System update – Ms. Palicka attended the meeting and discussed the plan in moving forward with our EMR. There are significant financial disparities between Meditech and counterparts, Cerner and Epic. She also commented on the following:

- Not enough time and not necessary to complete full scale demonstration that was done in the past.
- Cerner was chosen by a small margin previously, but both products were considered acceptable solutions and far better than the current system.
- We only have a 2-3 month timeline at most to make this decision if we are looking for full Meaningful Use incentive money for stage 2 and before we must begin work on ICD 10 and other regulation changes.

Plan for Moving Forward

- Share plan to move forward with a decision with staff and leaders.
- Begin by looking at Meditech and the enhancements they have added to their proposal.
- Acknowledge that cost is a factor in the decision this time.
- Hold high-level "day-in-the-life" demos for leaders and other designated clinical staff.
- Consider site visit with a small number of staff.
- Identify any serious deficiencies in Meditech product.
- Prepare a summary of findings and present to BOD.
- BOD and CBJ have final decision.

Dr. Peimann said when talking about Meditech vs. Cerner in the past that the information or data set that Meditech generates essentially locks and you can't get at that data without using their proprietary products. Mr. Brough said that will be included in evaluating the products when moving forward.

Mr. Reynolds asked if we could find out what the structure is for each database. Do we have any understanding what the patient side would look like? A patient portal is stage 2 meaningful use requirement. What does this do to the physician office practices? We thought at the time the Cerner office product didn't work at all. The interfaces are completely different. They have shared database, but they (community works) don't have any advantage.

Dr. Malter made a MOTION to approve the Psychiatry Contract for Dr. Janice Carrack. Ms. Borthwick seconded the motion.

Discussion:

Mr. Reynolds was concerned about a paragraph in the contract that said we aren't adequately protected. Ms. Mead said if the termination is for cause, then this paragraph does not apply. The intentional destruction of hospital property could be grounds for discipline up to termination.

The motion was approved by a roll call vote.

Ms. Borthwick made a MOTION that support and maintenance contracts covered in the operating budget which had been reviewed by legal staff, may be approved by the Senior Leadership team. Dr. Malter seconded the motion and it was approved by a roll call vote.

Mr. Brough supplied some charge data information that compares charges between Alaska and Washington hospitals. This information shows we are very competitive with other Alaska hospitals.

HR/CBJ integration – ***Ms. Thomas made a MOTION to accept Option 4, the Integrated Shared Services Model conceptually, with a written letter of agreement that has a time certain date for re-evaluation of 12/31/2015 to be brought back before the Board for final approval. Mr. Reynolds seconded.***

Discussion:

Ms. Cosgrove gave an overview of the preferred option.
Description of Services: CBJ and BRH HR functions are fully integrated. Staffing would include a high level HR professional at BRH who would be available to provide daily consultative services to BRH staff and who would supervise the day to day operations of the BRH HR Department. It is anticipated, that the current staff would remain in place.

The current CBJ HR Director would be responsible for providing tactical and strategic direction to the BRH HR department including supervision and management of staff, managing labor management relations including contract negotiations and administration, and working with Executive level staff on human capital management issues including organization development, staffing, and workforce planning and development.

Staff Reporting Relationship: The HR Director would continue to report to the City Manager with significant input on direction from the BRH CEO, who would also participate in the evaluation of the HR Director. HR staff at both organizations report directly or indirectly through subordinate supervisors, to the HR Director.

Ms. Cosgrove discussed the 4 options. We have entered into an interim agreement. Three other options: CBJ could operate at an appeal level, it could provide administrative oversight, or it could be a fully integrated model (Option 4). Ms. Cosgrove said the decision should consider whether people are comfortable with CBJ being directly involved with HR oversight.

Ms. Davis asked if we choose option 4 would BRH give up any flexibility around hiring or personnel issues that might be important to hospital operations. Ms. Cosgrove said no. Under the current CBJ model, they provide integrated HR services for other enterprise functions. As an example, they work with Eaglecrest Ski Area.

Ms. Mead said the hospital administrator retains the right to do the hiring and firing and choosing of personnel.

Dr. Peimann, asked why wouldn't we stay with option one, and then look at the other three options, then that would be the due diligence on what's brought back to the Board to delineate these four options out and decide which one fits us best.

Dr. Malter said Administration was supportive of Option 4 approach, therefore, he was supportive.

Ms. Cosgrove added a note of caution entering into the interim agreement. . We can do that for a short period of time, but to really recognize the fully functioning benefits of going towards an integrated option as well as the administrator efficiencies we can achieve, we need to take a look at our current structure and determine staffing assignments, policy review, etc. She wouldn't be able to step in to see how to make the organization more effective.

Dr. Peimann asked what the advantages of integration are.

Ms. Cosgrove said what you are getting is some oversight in staff expertise about functioning within the public sector environment. The community and political environment that we find ourselves operating in. Ms. Cosgrove brings 30 years of experience working within Human Resources, most of which has been in the public sector. She is very well grounded in a wide variety of HR issues including collective bargaining, organizational development, etc. Outside consultants don't always understand that. Ms. Thomas said from her perspective, we are CBJ, we already have a shared risk management model and if there are any legal issues, they will have CBJ Law involved up front, which should help reduce risk.

Dr. Peimann – in an integrated model there would essentially be a CBJ satellite HR office in our hospital that would be run through CBJ, but would it have its own staff and would that staff be hired and fired by the department administrator or by Ms. Cosgrove?

Ms. Cosgrove said that would still have to be worked out, but the way she would envision it is, BRH would have its own HR office much like it does now. She doesn't anticipate any change in staff that is currently there. In terms of the supervision or replacement of existing employees if that becomes necessary, she would want to rely on the HR Director.

Mr. Reynolds asked if CBJ provide such services as job descriptions, job analysis job alignment wage analysis, etc. Ms. Cosgrove said yes in conjunction with the Bartlett staff.

Dr. Peimann – construction projects that are engineered by the City add significant costs to the project, but then we don't necessarily see value or responsiveness through that service that's given to us and it costs us significantly. Would there be costs associated with an HR Department that would be managed through the City, do you know approximately what that would be and how do we negotiate real value both for us through service by you?

Ms. Cosgrove said given the expenditures BRH currently has at the HR level, if you take those funds and redistribute them we could provide an improved level of HR services within that container. When you take a look and see what impacts, contract attorneys for labor negotiations, and higher level employment law issues, she thinks it would be a reduced liability in terms of employment practice type of issues. She thinks it will be a reduced cost to the hospital.

Dr. Malter shared concerns, but he looked to Ms. Harff for her recommendation and she thought this was a good model for us.

The motion passed by a roll call vote.

Quality Assurance report – Ms. Borthwick reports

We should be aware that the Affordable Care Act reimbursements from the Federal Government start October 1, 2013. The financial impact on us will be small this first year, but it will be important to keep our Core Measures scores and our patient satisfaction scores high. Quality care will become not only our mission, but a financial requirement.

Bylaw Committee – Ms. Borthwick reports
Ms. Mead told Ms. Borthwick the Bylaws have been sent off to the legal department and the City Manager to look over the Bylaws. Sometime next month they should be before the Borough Assembly in a resolution for approval.

Dr. Peimann made a MOTION to go into executive session at 6:53 p.m., to discuss items which are confidential by law. Ms. Borthwick seconded and it was approved.

The Board came out of exec session at 7:20

Mr. Reynolds made a MOTION to accept the Credentialing Report. Ms. Borthwick seconded and it was approved.

Medical Staff Report - A Letter from the med/staff was included in the Board packet. Dr. Ben Miller reported the Medical Staff agreed on a list of essential services for the Board to review. They also agreed to 15 days per quarter to help cover the on call schedule. There will only be a few services where this will be an issue. Then they would seek help from the Board to cover the other days. They recommend bringing in a hospitalist.

Ms. Borthwick said we discussed the Hospitalist Program a few months ago, it was discussed that not everyone would participate, has something changed? Dr. Miller said he thinks more people are interested now. The participation would be higher than initially indicated. He thinks it will work well for others.

Dr. Peimann said he would agree with some of those points. He doesn't think in the long term it would be a money loser, but he does think in the short term 2-3 year plan he could anticipate it being a money loser. He also thinks that in the bigger picture, in terms of a Hospitalist, we always need to be concerned about and need to focus on a decrease in inpatient revenue. Currently our environment, the patients are impacted by the level of service that's being provided by the provider on call. The best way to say that is that if we make this a win-win situation, we will see an increase in utilization of our inpatient services. Currently we may be losing some of these inpatient services simply because of burn out call fatigue and the inability to provide a full range of coverage that may be increased with some adequate hospital service. He doesn't think anyone is being un-served, but he thinks some services are being sought at other places or being taken to other places for those reasons.

Ms. Thomas said Dr. Peimann has been tasked with putting together an ad hoc committee to discuss the on call issue. Dr. Peimann said he envisioned Ms. Thomas appointing members to this ad hoc committee and the goal of the ad hoc committee working with Administration, and together will bring an operational plan for fixing the call issue and an overall strategic plan for the Board to approve. The idea is that it will only serve that specific point. That goal may actually include a recommendation for a Hospitalist. Ms. Thomas said she and Dr. Peimann talked about the makeup of the ad hoc committee. Ms. Thomas proposed that we develop that ad hoc committee within the next two weeks. She would like to have a recommendation within the next month or two.

Dr. Miller suggested asking the orthopedic group to not group all their call in blocks but space it out so we aren't going without coverage for five days at a time.

Dr. Peimann said we could recruit an orthopedist that would cover call. The disadvantage with that is competing with the current group. He also said the orthopedic surgeon that has decreased his participation in the call would like to sit with the Board leadership and discuss the call dilemma. He would like to meet with Ms. Thomas and Mr. Storer and Dr. Peimann.

Dr. Malter said he feels negotiations with the Medical Staff should be done through the hospital Administrator.

Dr. Malter asked if these services were appropriate for essential services for a hospital our size. Dr. Malter would like to say the Board has not officially accepted this list of essential services. He would like to get Ms. Harff's recommendation on the list.

Dr. Malter made a MOTION to go into executive session at 7:45p.m., to discuss personnel matters that are confidential by law and to discuss items which could have an adverse effect on the finances of the hospital. Ms. Morton seconded and it was approved.

The Board came out of executive session at 8:15 p.m. to extend the meeting until 9:30 p.m.

The Board went back into executive session at 8:15 p.m.

The Board came out of executive session at 9:15 p.m., no action was taken.

Board comments:
Ms. Morton made a comment that she disturbed about the on call situation.

Ms. Thomas would like to have the Board address an issue that was raised by the Compliance Officer re: compliance and financial issues with Medicare not approving reimbursement for patients that they consider should be considered observation patients instead of inpatient. This is becoming more and more of an issue as patients who may have nowhere else to go are turned away for care. The Board needs to address this is in the near future. Dr. Malter said Finance could put a report together in Finance Committee.

Meeting adjourned at 9:20 p.m.

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Secretary

Bartlett Regional Hospital

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

Bartlett Regional Hospital

Executive Committee

October 7, 2013

Minutes

Called to order

Attendance: Linda Thomas, Reed Reynolds, Alex, Malter, MD

Others in attendance: Chris Harff, CEO, Ken Brough, CFO, Billy Gardner, CNO

On Call Ad hoc Committee – This Committee is scheduled to meet on October 9th. Dr. Peimann has confirmed several doctors to participate. Dr. Amy Dressel, Dr. Ben Miller, Dr. Anne Standerwick, Dr. Lindy Jones, Lauree Morton, Dr. Nate Peimann and a member of the community, possibly a past board member.

Dr. Peimann has sent a list to Dick Monkman regarding call, remuneration and legal boundaries.

Ms. Thomas said there will be a time that individuals can address the committee. She is leaving the decision to Dr. Peimann for who serves on this committee.

Joint Conference Committee Dates – Ms. Thomas wanted to wait until November to schedule a Joint Conference Committee meeting since the On Call Ad hoc Committee will have met and they will be able to provide information.

Retreat dates were discussed for the upcoming months.

Interim CEO – Dr. Malter said the committee has been meeting with Mila Cosgrove. The committee will meet on Wednesday to go over the candidates. She feels it can be honed down to a smaller number. They will talk to that group on Friday (4-7 people) and then the plan is of those people, to bring back 4-5 of them to interview in front of the Board in person the following Thursday. October 17th. The hope is that of the most competitive ones will be able to come in person

in private to interview. Then the Board will decide that day or the following day, who they will offer the position to. Ms. Thomas asked who our interim Administrator would be. Dr. Malter said they will take a look at that on Wednesday.

Educational plan for 2013-2014 – There are a lot of educational opportunities coming up in the next year. The Foraker Group has offered to come in and work with the Board on management, strategy, etc. Rural Health Consortium is also a good conference that's held in Arizona. Dr. Malter suggested that new members coming on the Board should go to a broader conference for a few days instead of one that is focused around just one topic.

Mr. Reynolds disagrees with that approach because he doesn't feel there is any execution when just a few go and then come back to try and educate the rest of the group. Taking a new board member in the first 3 years, throwing them into these meetings and thinking they are going to come out with something useful, is not a good plan. He thinks more structure is better. Ms. Thomas feels it would be best to try and bring education to Juneau for training. Dr. Malter said it might be beneficial to look at what the other hospitals more our size do for education. Ms. Thomas will work more on this.

Assembly Board recommendations - Lauree Morton, Mary Borthwick and Reed Reynolds terms are expiring in December. Ms. Thomas asked that a cover letter to go along with the research Mr. Reynolds did go to the Assembly to help them in making their decisions on who they will appoint to the Board. Ms. Thomas hasn't heard if Ms. Morton and Ms. Borthwick are going to reapply. She feels it's important to get certain skill sets. Mr. Reynolds will summarize the list.

Administrative Board Manual update – Ms. Borthwick is working on this project. Ms. Thomas said at our Board meeting in October we need to extend the deadline for the annual evaluation. ***Dr. Malter made a MOTION to recommend to the Board to extend the deadline for reviewing the Board Manual to February 2014. Mr. Reynolds seconded and it was approved.***

Ms. Thomas said the Nominating Committee needs to be created, but we don't know at this point who will be reappointed to the Board.

Sonosky Chambers engagement letter – This clarifies some of the services they provide. The fees are similar. He went over this with Ms. Mead to give an estimate. If there is a big special project, they will propose an amount. ***Mr. Reynolds made a MOTION to accept this letter. Mr. Reynolds seconded and it was approved.***

Strategic Goals/Objectives were reviewed.

Alumni Reception follow-up – There are thank you cards going out today for the attendees of this event.

Our next steps for communication for a future event were discussed. The hopes are to have this as an ongoing event. A quarterly newsletter to go to Assembly and former board members. Pictures of first reunion to be included. Ms. Thomas will work with Mr. Strader and bring it to the Board.

Board member comments

Self- evaluation review process has been done. Ms. Thomas would like to visit them and have a discussion. Ms. Thomas would prefer to have this discussion at the full Board meeting. Dr. Malter suggested bringing in a facilitator for the retreat. November 22nd

Meeting adjourned at 12:45 p.m.

Finance Committee
September 19, 2013
Minutes

Attendance: Alex Malter, MD, Linda Thomas, Lauree Morton, Mary Borthwick

Also in attendance: Ken Brough, CFO, Billy Gardner, CNO, Carlene Conway, OR, Martha Palicka, IT

Dr. Malter called the meeting to order at 5:15 p.m.

Amendments to the August Finance minutes were made. The minutes were approved as amended.

Mr. Brough reported August was another good month financially.

BRH August 2013 Operating Results

Summary

August had a net margin of $451,761 for the month.

Revenue

Patient revenue for the month of August was fairly close to budgeted amounts for the current month and also higher than the same period in the prior year. YTD net patient revenue is in line with budgeted amounts. RRC and OB outperformed budget and the prior year.

Interest income was not posted for the month of August. CBJ has experienced losses on investments that last three months and we are awaiting numbers from CBJ before we post ours.

Revenue Deductions (including Bad Debt)

Revenue Deductions for August were 39.92% of patient revenues.

Operating Expenses

Salaries and benefits were below current month budget. Total paid FTE's were below current month budget.

Supplies continue to perform better than budgeted.

Repairs and Maintenance's budget surplus was due to the delayed implementation of the new information system.

Fees-other was significantly below budget. There was a low use of services during the month.

Investment income is again increased with the addition of the new debt.

Statistics & Indicators

Net AR days were 71.

Our Operating Cash balance is $14,754,218 as of the end of the month. Days Cash on hand were 173.31, up 12 days from the previous month.

The August Financial Statements and dashboards were reviewed. See attached.

Mr. Brough introduced Marise Knock, Controller for BRH.

Mr. Brough reported we are continuing to try and get the A/R days down.

The Committee discussed Ophthalmology and increasing procedures in the OR and the possibility of bringing in locums.

Un-budgeted item for approval:
Ms. Conway presented the Endoscope Steris Lighting System. It's a surgical overhead spotlight. The lights have burned out and need to be replaced. They looked at potentially borrowing the lights from Sitka in the interim, but it's in use. The cost is $7,303.03. This item was presented for informational purposes only, it does not require Board approval.

Ms. Conway presented a Fluid Waste Management System proposal. These are suction machines that are used on a daily basis. The systems we are currently using, have been recalled and will be shut down this Spring. This item was not in the capital budget because the recall notice came out after the budget was submitted. Ms. Thomas asked Ms. Conway to present a short written summary of the item and the reason that it was unbudgeted for the Board meeting. The total cost is approximately $87,000.

Ms. Thomas made a MOTION to forward to the Board the additional capital budget expenditure for the vacuum system in an amount not to exceed $87,200.00. Ms. Borthwick seconded and it was approved with one abstention.

EMR analysis – Mr. Brough handed out a document with comparisons for three vendors, Epic, Meditech and Cerner. Ms. Palicka said originally we looked at 6 different proposals. There was a lengthy discussion on the background of how the systems were chosen initially. The committee agrees the staff need to move forward expeditiously.. They don't necessarily need to look at Epic, due to the additional time constraints in reopening the comparative process and the costs are similar to Cerner and significantly higher than Meditech. It's important that whoever is working with the staff and the doctors help them understand that this time cost is a factor and is one of the most important factors. The Board will take input from the clinicians and staff and the Board will make the final decision. If there is a compelling reason for the additional millions of dollars being spent for a system other than Meditech, Martha will present that information to the Finance Committee and Board.

Medicaid Rate Appeal – Mr. Brough reported he went to Anchorage and met with the Director of the office of Rate Review. They made a lot of progress at that meeting. Mr. Brough said the Director sent him an email summarizing what they agreed to and Mr. Brough emailed him back and said he conceptually agreed to it. Both parties have a 30 day time frame to get documents to

each other. The issue that was left off the table, as it will need to involve an attorney, is the lower cost of charge.

Medicare Cost Report Audit – We got our notification in the last week that the State is going to start scheduling to come to BRH to do an audit for the June 30, 2011 Cost Report. It's due to the fact the Cost Report was amended twice. They are auditing us to ensure that what is in the Cost Report is correct to be included according to CMS rules. Dr. Malter asked if CMS claims they are paying us are fairly based on our costs. Mr. Brough said they are paying us an estimate of cost for inpatient care.

Contracts for Review:

Ms. Free presented a contract for AGFA. This is a support/service contract for the readers/servers and related equipment that converts the digital image on the cassettes to the image that is viewed on PACS. We need Agfa's support to keep this equipment running smoothly; if we don't have it we cannot produce x-rays. The contract is for four years and is $163,201 or $40,800/year.

Dr. Malter suggested the Finance Committee is going to recommend to the Board that they delegate to Administration the authority to approve support services contracts.

Philips: This package is for support/service for the c-arms (mobile fluoroscopy units) that are used in the OR. There are two c-arms and each has a separate contract. CBJ legal has reviewed and requested changes which have been accepted. The contracts are for five years and are $49,500 each at $9,180/year.

Siemens: This is a support/service contract for the MRI unit. The pricing is actually quite good considering the age of the MRI (seven years). We have had very good support from Siemens and anticipate that we will continue to do so. The current contract expires at the end of this month and we will need cryogen fills (for supercooling the unit) and PM's, so we would like to see this contract approved as soon as we can. The contract is for five years and is $658,155 or $131,631/year.

Ms. Thomas made a MOTION to approve the support service agreements for Philips, AGFA, Siemens as presented. Ms. Borthwick seconded and they were approved with one abstention.

Ms. Thomas made a MOTION to recommend to the Board that all support service contracts that are included in the operating budget and have had appropriate legal review are delegated to management to approve. Ms. Morton seconded and it was approved conceptually. Mary Borthwick and Linda Thomas will rewrite the motion for improved clarity for the Board meeting.

Physician Employment Agreement – a contract for Dr. Carrick, Psychiatrist, was presented for approval. ***Ms. Thomas made a MOTION to recommend to the Board approval. The contract was approved with one abstention.*** Ms. Thomas recommended that Administration get a checklist together that shows who has reviewed and signed off on it including a signature.

Trauma Grant Notice – There is a special trauma grant that we submitted for. It went to a Commissioner and it was sent back for us to do some re-work. Ms. Lawhorne, ED Director is making the changes.

CMS Charge Data – Mr. Brough included a sheet that compared charge data between the following hospitals;

BRH	Alaska Providence	Alaska Regional	Mat-SU Regional	Central Pennisula	Fairbanks	Virgina Mason	Swedish Med Ctr

There was discussion on rates, and reasons why you must understand that these are “gross” numbers, and hospitals discount for preferred provider status. However, it is a tool that is used to compare rates.

FY14 Value Based Purchasing Anticipated Impact – Starting in 12 days we will be reimbursed by Medicare based on how our core measures and our HCAPS scores compare to the rest of the country.

Ms. Thomas made a MOTION to go into executive session to discuss matters which could be confidential by law concerning personnel concerns.

The committee came out of Executive Session at 7:45 pm and the meeting was adjourned.

BRH September 2013 Operating Results

Summary
September had a net margin of $402,122 for the month.

Revenue
Patient revenue for the month of September was higher than current month budget and also higher than the same period in the prior year. RRC and Physician revenue outperformed budget in current and prior year.

Interest income was not posted for the month of September. CBJ has experienced losses on investments over the last few months. We are waiting numbers from CBJ before we post ours.

Revenue Deductions (including Bad Debt)
Revenue Deductions for September were 39.86% of patient revenues.

Operating Expenses
Salaries and benefits expenses were below current month budget. Total paid FTE's were below current month budget.

Supply expense continues to be lower than budgeted amounts.

Repairs and Maintenance's budget surplus was due to the delayed implementation of the new information system.

Interest expense is again increased with the addition of the new debt.

Statistics & Indicators
Net AR days were 73.

Our Operating Cash balance is $18,150,360 as of the end of the month. Days Cash on hand was 165 at the end of September.

Bartlett Regional Hospital

Statement of Income

	Current Month	Budget	$ Variance	YTD	YTD Budget	$ Variance
INPATIENT REVENUE (Hospital)						
ROUTINE INPATIENT REVENUE	2,048,059	1,901,343	146,716	5,885,994	5,908,372	(22,378)
ANCILLARY INPATIENT REVENUE	2,344,288	1,007,711	1,336,577	7,699,692	3,178,192	4,521,500
TOTAL INPATIENT REVENUE (Hospital)	**4,392,347**	**2,909,054**	**1,483,293**	**13,585,686**	**9,086,564**	**4,499,122**
OUTPATIENT REVENUE	5,163,117	6,279,207	(1,116,090)	16,170,631	19,528,646	(3,358,015)
TOTAL PATIENT REVENUE (Hospital)	**9,555,465**	**9,188,261**	**367,204**	**29,756,317**	**28,615,210**	**1,141,107**
RRC REVENUE	371,459	359,593	11,866	1,155,723	1,093,353	62,370
PHYSICIAN REVENUE	1,350,758	1,283,081	67,677	4,066,388	3,950,361	116,027
TOTAL PATIENT REVENUE All Sources	**11,277,682**	**10,830,935**	**446,747**	**34,978,428**	**33,658,924**	**1,319,504**
OTHER REVENUE	190,424	177,426	12,998	552,074	552,259	(185)
TOTAL GROSS REVENUE	**11,468,106**	**11,008,361**	**459,745**	**35,530,502**	**34,211,183**	**1,319,319**
REVENUE DEDUCTIONS						
CONTRACTUAL	3,746,004	2,915,158	830,846	10,488,231	9,073,767	1,414,464
CHARITY CARE/BAD DEBT	749,192	993,785	(244,593)	3,221,390	3,093,264	128,126
TOTAL REVENUE DEDUCTIO	**(4,495,196)**	**(3,908,943)**	**(586,253)**	**(13,709,621)**	**(12,167,031)**	**(1,542,590)**
TOTAL NET REVENUE	**6,972,909**	**7,099,418**	**(126,509)**	**21,820,881**	**22,044,152**	**(223,271)**
OPERATING EXPENSES						
SALARIES & WAGES	2,825,114	2,821,036	4,078	8,644,560	8,608,470	36,090
BENEFITS	1,253,264	1,266,338	(13,074)	3,918,511	3,880,128	38,383
FEES-PHYSICIAN	518,039	499,441	18,598	1,605,159	1,609,527	(4,368)
FEES-OTHER	271,182	292,721	(21,539)	641,484	896,122	(254,638)
SUPPLIES	654,108	761,883	(107,775)	2,081,522	2,336,622	(255,100)
UTILITIES	163,316	173,387	(10,071)	462,262	520,898	(58,636)
REPAIRS & MAINTENANCE	180,259	275,189	(94,930)	532,787	810,527	(277,740)
LEASES & RENTALS	31,377	45,783	(14,406)	93,304	128,586	(35,282)
INSURANCE	53,925	58,068	(4,143)	148,066	175,824	(27,758)
INTEREST EXPENSE	159,541	101,917	57,624	484,257	305,756	178,501
OTHER EXPENSES	21,936	25,724	(3,788)	81,510	65,304	16,206
TOTAL OPERATING EXPENSES	**6,719,931**	**6,321,487**	**(189,428)**	**18,693,421**	**19,337,764**	**(644,343)**
DEPRECIATION & AMORTIZATION	575,226	548,498	26,728	1,725,989	1,680,749	45,240
TOTAL OPERATING COSTS	**7,295,157**	**6,869,985**	**(162,700)**	**20,419,410**	**21,018,513**	**(599,103)**
NET OPERATING INCOME	**265,624**	**229,433**	**36,191**	**1,401,471**	**1,025,639**	**375,832**
NON-OPER INCOME/EXPENSE						
INTEREST INCOME - GENERAL	12	1,130	(1,118)	12	3,515	(3,503)
OTHER INCOME	136,486	127,475	9,011	434,659	396,779	37,880
TOTAL NON-OPERATING	**136,498**	**128,605**	**7,893**	**434,671**	**400,294**	**34,377**
NET INCOME/LOSS	**402,122**	**358,038**	**44,084**	**1,836,142**	**1,425,933**	**410,209**

Bartlett Regional Hospital

Statement of Income

	Current Month	Prior Year Month	$ Variance	YTD	YTD Prior Year	$ Variance
INPATIENT REVENUE (Hospital)						
ROUTINE INPATIENT REVENUE	2,048,059	1,971,870	76,189	5,885,994	6,196,971	(310,977)
ANCILLARY INPATIENT REVENUE	2,344,288	506,254	1,838,034	7,699,692	6,540,857	1,158,835
TOTAL INPATIENT REVENUE (Hospital)	**4,392,347**	**2,478,124**	**1,914,223**	**13,585,686**	**12,737,828**	**847,858**
OUTPATIENT REVENUE	5,163,117	6,090,567	(927,450)	16,170,631	14,995,181	1,175,449
TOTAL PATIENT REVENUE (Hospital)	**9,555,465**	**8,568,691**	**986,774**	**29,756,317**	**27,733,010**	**2,023,308**
RRC REVENUE	371,459	361,535	9,924	1,155,723	1,023,070	132,653
PHYSICIAN REVENUE	1,350,758	1,393,251	(42,493)	4,066,388	4,179,753	(113,365)
TOTAL PATIENT REVENUE All Sources	**11,277,682**	**10,323,477**	**954,205**	**34,978,428**	**32,935,833**	**2,042,596**
OTHER REVENUE	190,424	203,685	(13,261)	552,074	574,669	(22,596)
TOTAL GROSS REVENUE	**11,468,106**	**10,527,162**	**940,944**	**35,530,502**	**33,510,502**	**2,020,000**
REVENUE DEDUCTIONS						
CONTRACTUAL	3,746,004	2,408,606	1,337,399	10,488,231	8,641,719	1,846,512
CHARITY CARE/BAD DEBT	749,192	1,153,394	(404,202)	3,221,390	3,260,398	(39,008)
TOTAL REVENUE DEDUCTIO	**(4,495,196)**	**(3,562,000)**	**(933,197)**	**(13,709,621)**	**(11,902,117)**	**(1,807,504)**
TOTAL NET REVENUE	**6,972,909**	**6,965,162**	**7,747**	**21,820,881**	**21,608,385**	**212,496**
OPERATING EXPENSES						
SALARIES & WAGES	2,825,114	2,800,892	24,222	8,644,560	8,622,212	22,348
BENEFITS	1,253,264	1,326,571	(73,307)	3,918,511	3,922,618	(4,108)
FEES-PHYSICIAN	518,039	494,219	23,820	1,605,159	1,481,661	123,498
FEES-OTHER	271,182	390,874	(119,691)	641,484	1,061,396	(419,912)
SUPPLIES	654,108	641,101	13,007	2,081,522	2,216,561	(135,039)
UTILITIES	163,316	147,120	16,196	462,262	462,122	140
REPAIRS & MAINTENANCE	180,259	210,447	(30,189)	532,787	618,461	(85,674)
LEASES & RENTALS	31,377	52,203	(20,826)	93,304	128,206	(34,902)
INSURANCE	53,925	46,887	7,038	148,066	156,639	(8,573)
INTEREST EXPENSE	159,541	105,455	54,086	484,257	316,421	167,836
OTHER EXPENSES	21,936	9,255	12,681	81,510	21,509	60,001
TOTAL OPERATING EXPENSES	**6,132,059**	**6,225,023**	**(92,964)**	**18,693,421**	**19,007,807**	**(314,386)**
DEPRECIATION & AMORTIZATION	575,226	590,475	(15,249)	1,725,989	1,769,111	(43,123)
TOTAL OPERATING COSTS	**6,707,285**	**6,815,498**	**(108,213)**	**20,419,410**	**20,776,919**	**(357,509)**
NET OPERATING INCOME	**265,624**	**149,664**	**115,960**	**1,401,471**	**831,467**	**570,005**
NON-OPER INCOME/EXPENSE						
INTEREST INCOME - GENERAL	12	6,539	(6,527)	12	7,313	(7,300)
OTHER INCOME	136,486	105,645	30,841	434,659	328,607	106,051
TOTAL NON-OPERATING	**136,498**	**112,184**	**24,314**	**434,671**	**335,920**	**98,751**
NET INCOME/LOSS	**402,122**	**261,848**	**140,275**	**1,836,142**	**1,167,387**	**668,756**

Bartlett Regional Hospital

Balance Sheet for Sept 2013

	Beginning of Month	End of Month	$ Change Month	Beginning of Year	End of Month	$ Change YTD
Current Assets:						
Operating Cash	14,754,218	18,150,360	3,396,142	17,136,608	18,150,360	1,013,753
Board Designated Cash	15,454,361	15,322,150	(132,211)	8,871,900	15,322,150	6,450,250
Net Accounts Receivable	18,943,498	17,354,846	(1,588,653)	21,002,045	17,354,846	(3,647,199)
Other Current Assets	2,323,048	1,603,575	(719,473)	2,829,365	1,603,575	(1,225,790)
Total Current Assets	51,475,126	52,430,931	955,805	49,839,918	52,430,931	2,591,013
Appropriated Cash	5,899,453	5,899,453	-	5,899,453	5,899,453	-
Fixed Assets:						
Plant, Prop, Equip.	62,660,237	62,256,248	(403,989)	64,107,782	62,256,248	(1,851,534)
CIP	13,127,823	13,120,957	(6,867)	13,026,435	13,120,957	94,521
Total Assets	133,162,639	133,707,589	544,949	132,873,588	133,707,589	834,000
Current Liabilities:						
Accounts Payable	1,613,453	1,883,219	269,767	2,694,555	1,883,219	(811,335)
Payroll and Related Liabilites	3,901,021	4,084,553	183,532	3,492,163	4,084,553	592,390
Other Current Liabilities	2,363,060	1,999,423	(363,637)	1,970,941	1,999,423	28,483
Total Current Liabilities	7,877,534	7,967,196	89,662	8,157,658	7,967,196	(190,462)
Long Term Liabilities:						
Bonds	25,511,101	25,490,023	(21,079)	26,393,579	25,490,023	(903,557)
Total Long Term Liabilities	25,511,101	25,490,023	(21,079)	26,393,579	25,490,023	(903,557)
Total Liabilities	33,388,636	33,457,219	68,583	34,551,238	33,457,219	(1,094,019)
Total Fund Balance	99,774,004	100,250,370	476,366	98,322,351	100,250,370	1,928,019
Total Liabilities and Equity	133,162,639	133,707,589	544,949	132,873,588	133,707,589	834,000

Bartlett Regional Hospital

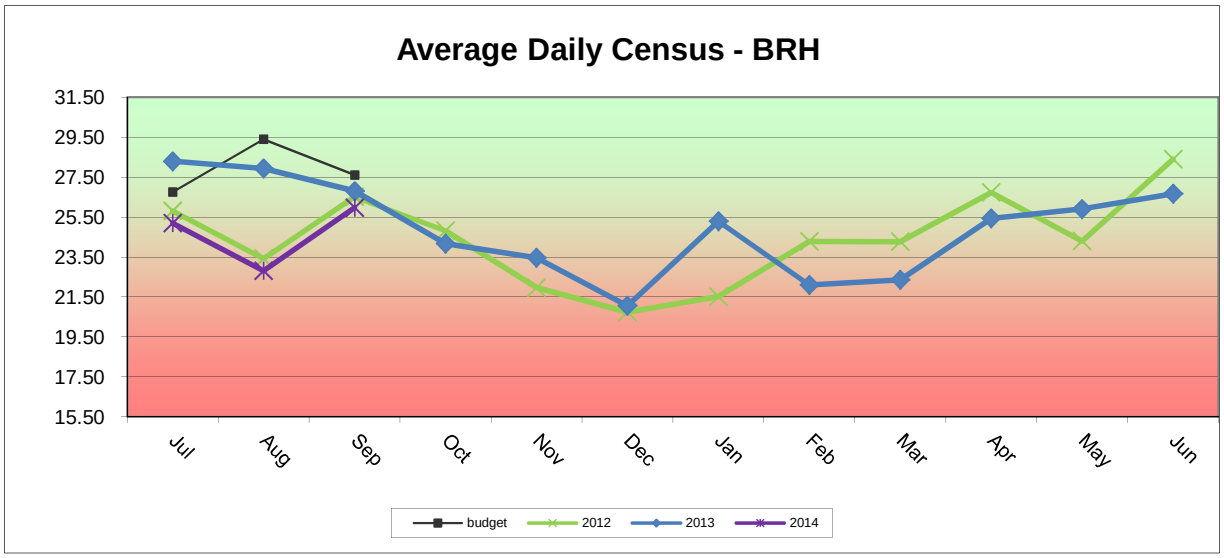
Cash Summary
September 2013

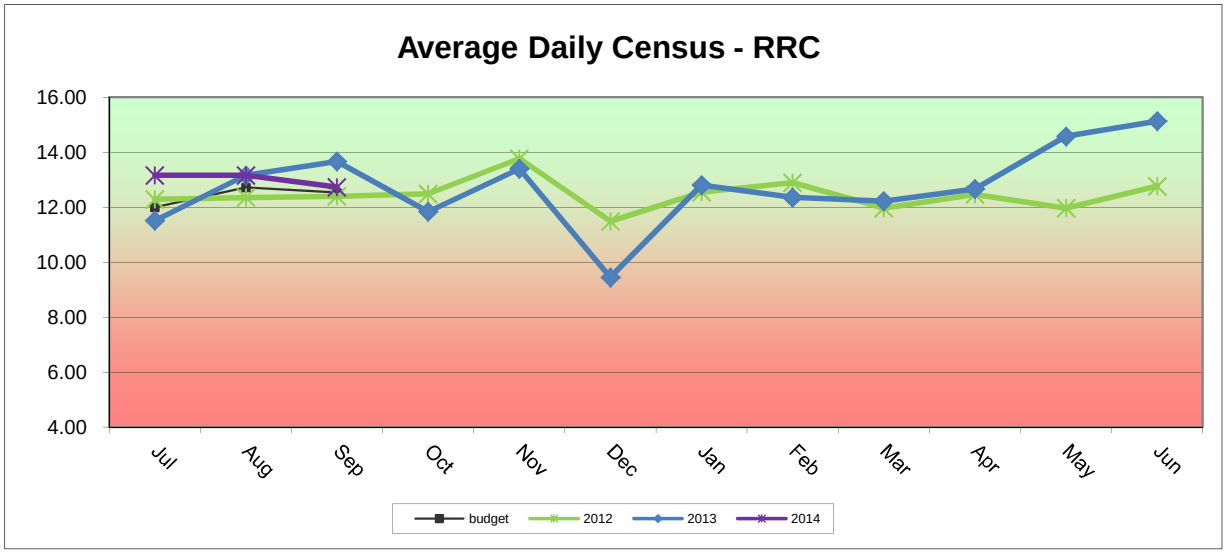
	Increase/(Decrease) in Cash	
	Current Month	Year-To-Date
CASH RECEIPTS	$ 9,337,258	$ 25,827,838
CASH DISBURSEMENTS:		
Payroll (Net Pay)	$ 1,736,617	$ 5,328,710
Accounts Payable	3,761,319	11,222,548
Other	445,779	8,265,425
CBJ Cash Transactions		
Capital Reserve Fund		
Total Cash Disbursements	$ 5,943,715	$ 24,816,684
NET CHANGE IN CASH	$ 3,393,544	$1,011,154
BEGINNING BALANCE	$ 14,756,817	$ 44,082,257
NET CHANGE IN CASH	3,393,544	1,011,154
ENDING BALANCE - OPERATING CASH	$ 18,150,360	$ 45,093,411

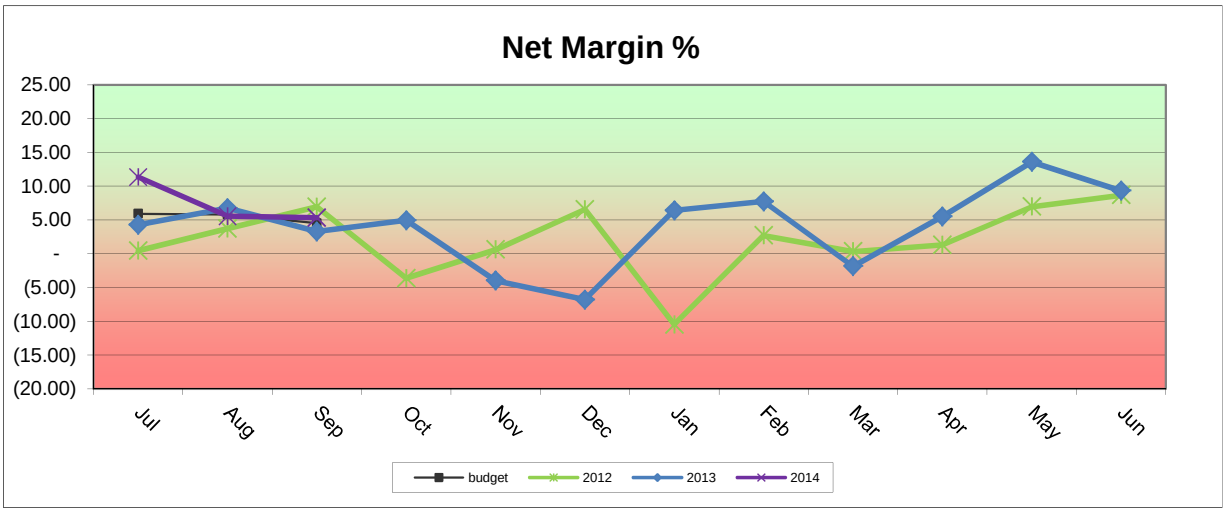
Board Designated Funds	
Capital Reserve Fund	$ 10,942,118
BRH CAMHU	$ 2,500,000
New Bond Debt Service Reserve	$ 1,686,975
Other	$ 193,057
	$ 15,322,150
	$ 33,472,510
CBJ Appropriated Funds	
CIP	$ 899,453
CAMHU	5,000,000
	$ 5,899,453
TOTAL CASH	$ 39,371,963

Bartlett Regional Hospital

Monthly Operations "Dashboard"

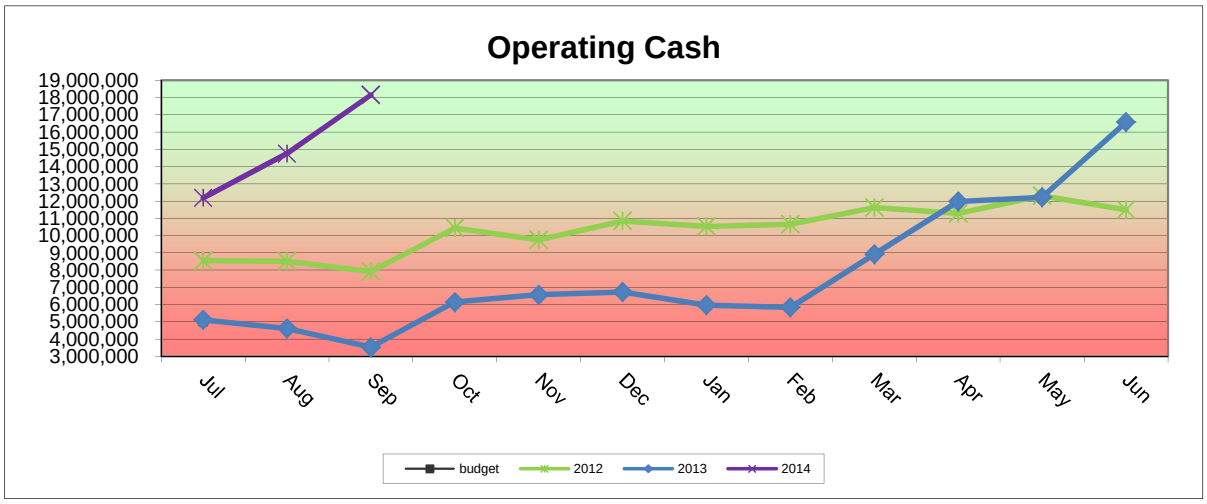


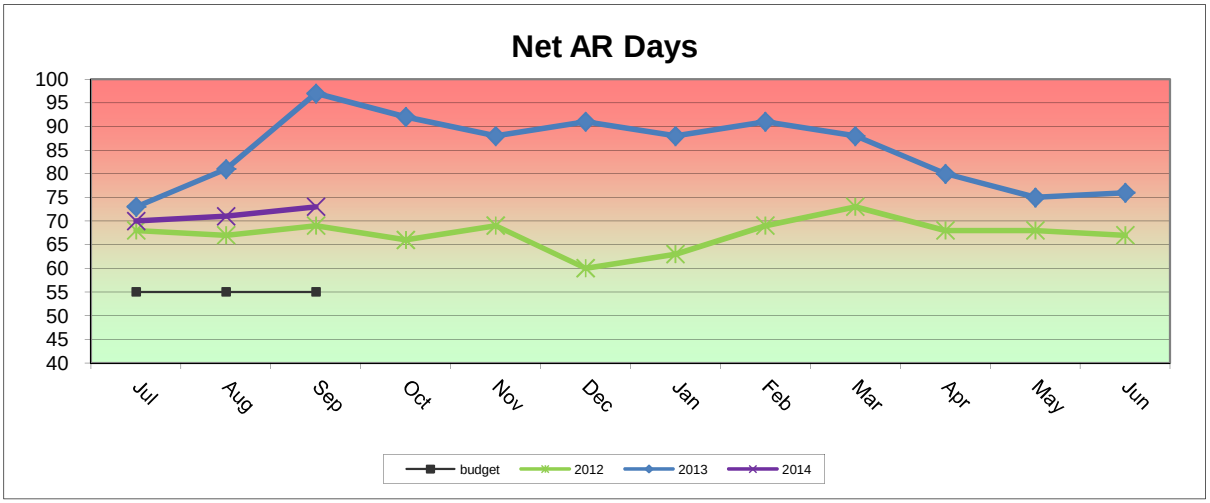


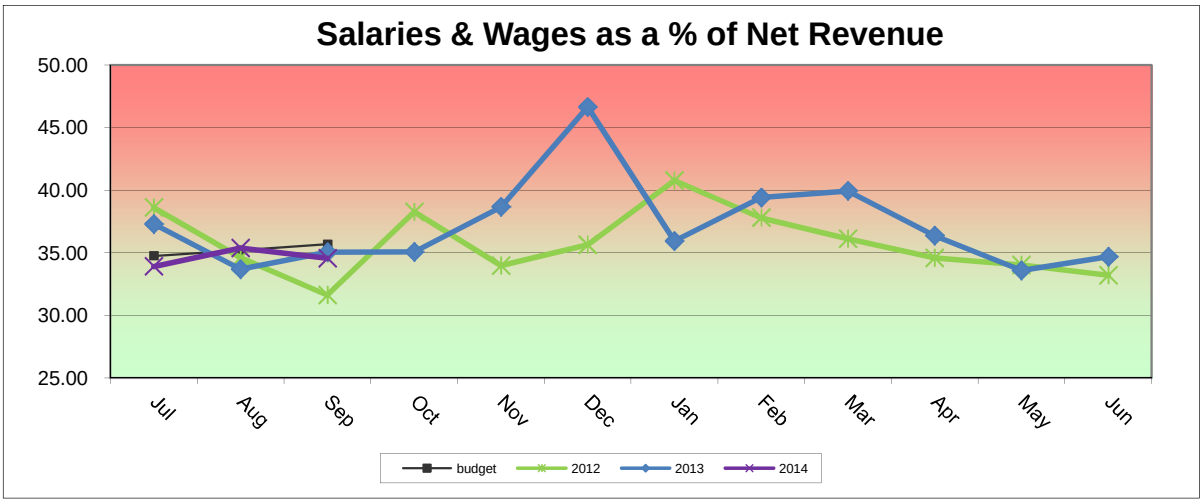


Bartlett Regional Hospital

Monthly Operations "Dashboard"

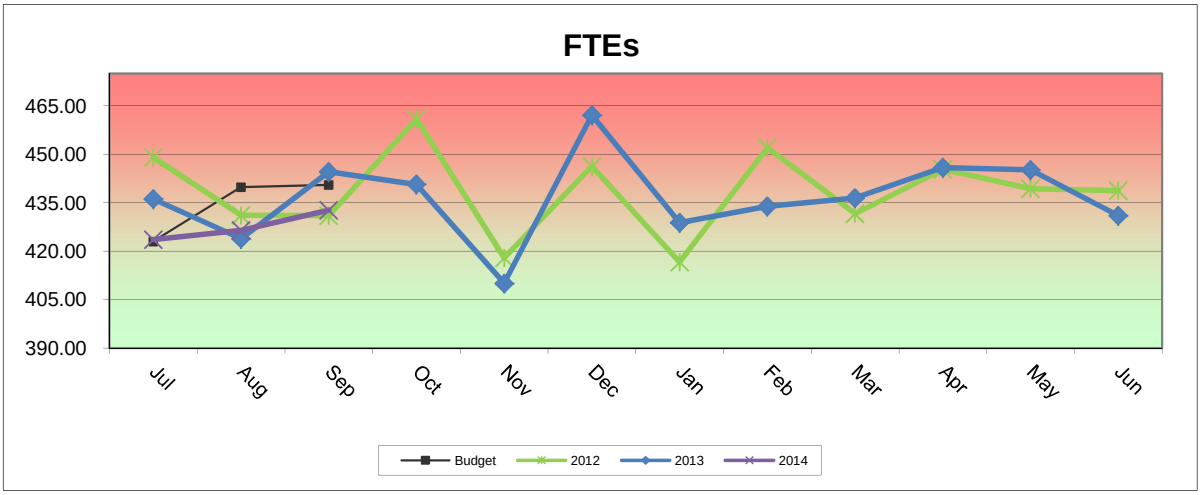


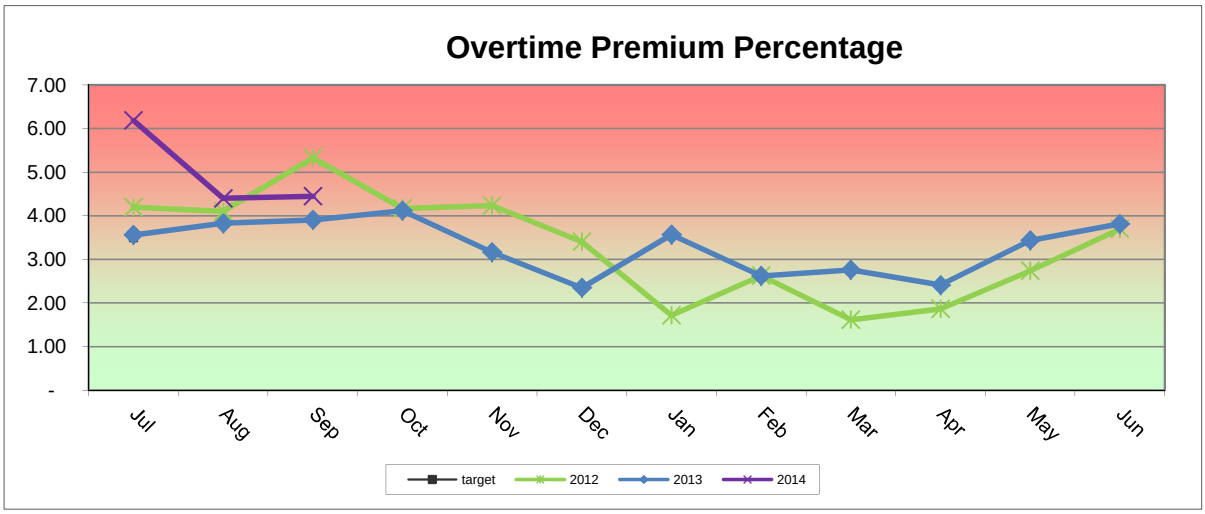


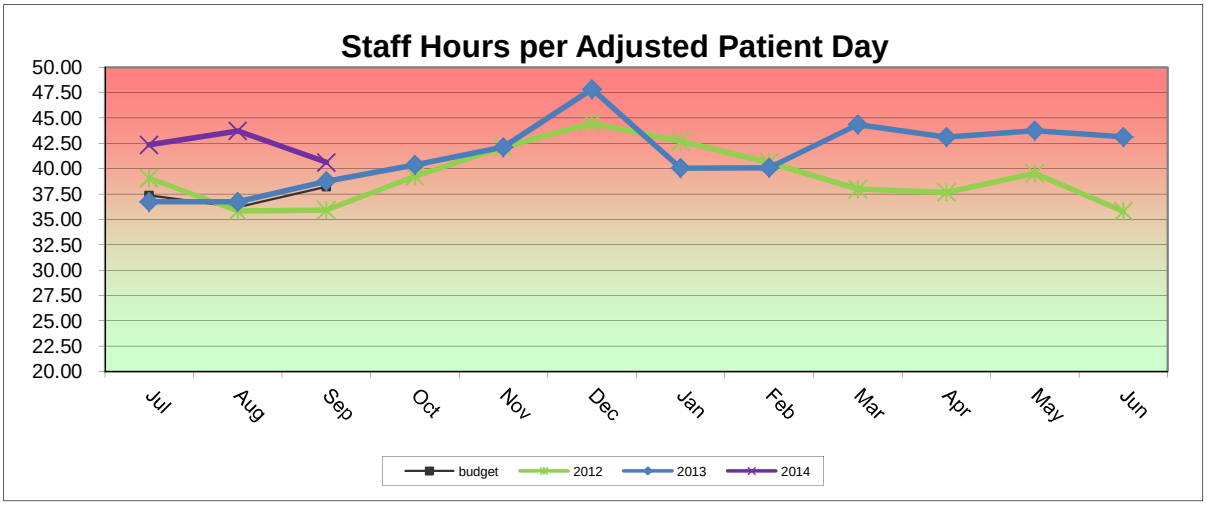


Bartlett Regional Hospital

Monthly Operations "Dashboard"

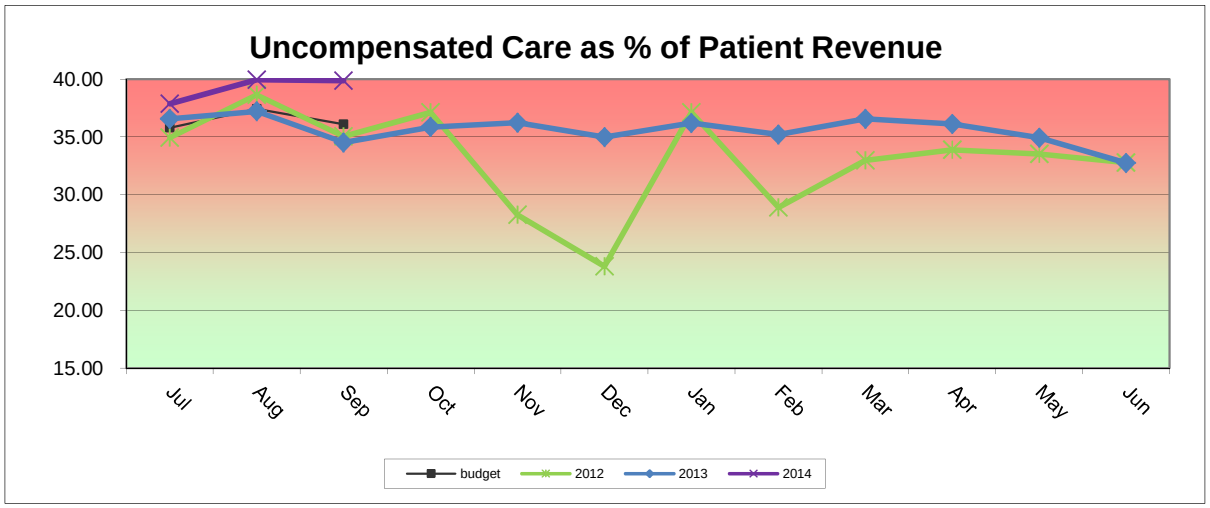






Bartlett Regional Hospital

Monthly Operations "Dashboard"



Year-to-Date Financial Results

Bartlett Regional Hospital

Rolling Thirteen Months of Actual

	ACTUAL Sep-12	ACTUAL Oct-12	ACTUAL Nov-12	ACTUAL Dec-12	ACTUAL Jan-13	ACTUAL Feb-13	ACTUAL Mar-13	ACTUAL Apr-13	ACTUAL May-13	ACTUAL Jun-13	ACTUAL Jul-13	ACTUAL Aug-13	ACTUAL Sep-13
INPATIENT REVENUE													
ROUTINE INPATIENT REVENUE	2,333,405	2,155,136	2,073,863	1,841,164	2,211,134	1,859,934	2,054,409	2,211,621	2,379,281	2,276,641	2,270,681	2,207,814	2,347,929
ANCILLARY INPATIENT REVENUE	1,899,505	2,134,028	1,911,539	1,705,551	2,271,306	1,476,409	1,827,285	2,439,314	2,946,833	2,882,253	3,046,310	2,582,929	2,475,474
TOTAL INPATIENT REVENU	**4,232,910**	**4,289,164**	**3,985,402**	**3,546,715**	**4,482,440**	**3,336,343**	**3,881,694**	**4,650,935**	**5,326,114**	**5,158,894**	**5,316,991**	**4,790,743**	**4,823,403**
OUTPATIENT REVENUE	6,090,567	6,750,603	5,435,880	5,722,451	6,331,944	5,969,306	5,861,668	6,125,261	6,599,409	5,856,299	6,711,366	6,881,647	6,454,278
TOTAL PATIENT REVENUE	**10,323,477**	**11,039,768**	**9,421,283**	**9,269,167**	**10,814,384**	**9,305,649**	**9,743,362**	**10,776,197**	**11,925,524**	**11,015,193**	**12,028,356**	**11,672,390**	**11,277,682**
OTHER REVENUE	203,685	197,177	185,924	203,499	217,858	197,893	206,002	205,261	226,961	200,800	178,123	183,527	190,424
TOTAL GROSS REVENUE	**10,527,162**	**11,236,945**	**9,607,207**	**9,472,665**	**11,032,242**	**9,503,541**	**9,949,364**	**10,981,458**	**12,152,485**	**11,215,993**	**12,206,479**	**11,855,917**	**11,468,106**
REVENUE DEDUCTIONS													
CONTRACTUAL/BAD DEBTS	3,432,773	3,654,792	3,248,479	3,075,600	3,607,820	2,919,326	3,410,869	3,595,098	3,909,706	3,238,664	4,325,599	4,373,317	4,333,876
CHARITY CARE	129,227	303,158	164,416	166,376	307,472	355,878	152,016	296,119	255,426	368,345	228,807	286,703	161,320
TOTAL REVENUE DEDUCTIO	**(3,562,000)**	**(3,957,950)**	**(3,412,895)**	**(3,241,976)**	**(3,915,292)**	**(3,275,203)**	**(3,562,885)**	**(3,891,217)**	**(4,165,132)**	**(3,607,009)**	**(4,554,406)**	**(4,660,019)**	**(4,495,196)**
TOTAL NET REVENUE	**6,965,162**	**7,278,995**	**6,194,312**	**6,230,689**	**7,116,949**	**6,228,338**	**6,386,479**	**7,090,240**	**7,987,353**	**7,608,985**	**7,652,074**	**7,195,898**	**6,972,909**
OPERATING EXPENSES													
SALARIES & WAGES	2,800,892	2,865,862	2,605,533	2,970,378	2,785,936	2,576,218	2,719,857	2,817,831	2,970,033	2,725,728	2,937,485	2,881,961	2,825,114
BENEFITS	1,326,571	1,293,356	1,259,224	1,239,186	1,346,646	1,235,824	1,580,324	1,284,711	1,311,879	1,340,799	1,394,896	1,270,351	1,253,264
FEES-PHYSICIAN	494,219	440,846	436,606	442,400	438,191	408,357	417,235	444,809	504,158	534,317	546,378	540,743	518,039
FEES-OTHER	390,874	371,021	404,538	345,492	317,908	197,585	204,229	294,692	222,163	181,849	147,702	222,601	271,182
SUPPLIES	641,101	777,509	728,698	666,507	647,996	608,061	572,246	659,250	660,542	580,602	647,733	779,681	654,108
UTILITIES	147,120	181,572	174,348	163,661	215,059	188,390	181,927	186,078	174,168	144,923	146,211	152,735	163,316
REPAIRS & MAINTENANCE	210,447	223,206	182,589	149,804	204,730	147,731	170,466	185,904	192,688	170,556	175,298	177,230	180,259
LEASES & RENTALS	52,203	37,564	39,291	33,947	33,455	28,503	34,679	54,929	31,915	32,736	30,797	31,131	31,377
INSURANCE	46,887	68,915	48,130	70,401	54,856	45,693	45,692	50,790	45,692	77,143	48,405	45,736	53,925
INTEREST EXPENSE	105,455	105,531	105,455	105,455	103,441	103,441	103,660	232,022	183,689	625,801	162,367	162,350	159,541
OTHER EXPENSES	9,255	24,584	14,142	11	17,590	7,839	27,896	6,722	39,881	42,325	24,791	34,782	21,936
TOTAL OPERATING EXPENSES	**6,225,023**	**6,389,966**	**5,998,554**	**6,187,242**	**6,165,810**	**5,547,643**	**6,058,212**	**6,217,739**	**6,336,808**	**6,456,778**	**6,262,063**	**6,299,299**	**6,132,059**
DEPRECIATION & AMORTIZATION	590,475	587,696	587,015	587,084	594,253	599,924	588,084	577,036	577,701	576,473	574,786	575,977	575,226
TOTAL OPERATING COSTS	**6,815,498**	**6,977,662**	**6,585,569**	**6,774,326**	**6,760,063**	**6,147,566**	**6,646,295**	**6,794,775**	**6,914,509**	**7,033,251**	**6,836,848**	**6,875,276**	**6,707,285**
NET OPERATING INCOME	**149,664**	**301,334**	**(391,257)**	**(543,637)**	**356,887**	**80,771**	**(259,816)**	**295,465**	**1,072,844**	**575,733**	**815,225**	**320,622**	**265,624**
NON-OPER INCOME/EXPENSE													
INTEREST INCOME - GENERAL	6,539	3,372	8,027	7,514	3,988	3,192	3,754	4,243	4,570	10,259	-	-	12
OTHER INCOME	105,645	99,299	114,700	103,526	135,623	421,810	130,054	128,751	124,135	146,195	167,033	131,140	136,486
TOTAL NON-OPERATING	**112,184**	**102,671**	**122,727**	**111,040**	**139,612**	**425,002**	**133,808**	**132,994**	**128,705**	**156,455**	**167,033**	**131,140**	**136,498**
NET INCOME/LOSS	**261,848**	**404,005**	**(268,530)**	**(432,596)**	**496,498**	**505,773**	**(126,009)**	**428,459**	**1,201,550**	**732,188**	**982,259**	**451,761**	**402,122**

Bartlett Regional Hospital

FY2014 Allocated Budget

	Jul-13 Actual	Aug-13 Actual	Sep-13 Actual	Oct-13 Budget	Nov-13 Budget	Dec-13 Budget	Jan-14 Budget	Feb-14 Budget	Mar-14 Budget	Apr-14 Budget	May-14 Budget	Jun-14 Budget
INPATIENT REVENUE												
ROUTINE INPATIENT REVENUE	2,270,681	2,207,814	2,347,929	2,141,698	2,079,663	2,165,106	2,072,749	2,019,484	2,186,949	2,012,995	2,312,261	2,220,056
ANCILLARY INPATIENT REVENUE	3,046,310	2,582,929	2,475,474	2,173,713	2,077,695	2,228,124	2,133,513	2,072,147	2,236,303	2,244,987	2,366,343	2,418,741
TOTAL INPATIENT REVENU	**5,316,991**	**4,790,743**	**4,823,403**	**4,315,411**	**4,157,358**	**4,393,230**	**4,206,262**	**4,091,631**	**4,423,252**	**4,257,982**	**4,678,604**	**4,638,797**
OUTPATIENT REVENUE	6,711,366	6,881,647	6,454,278	5,952,064	5,674,709	6,132,104	5,906,881	5,671,356	6,304,286	6,240,055	6,573,547	6,709,292
TOTAL PATIENT REVENUE	**12,028,356**	**11,672,390**	**11,277,682**	**10,267,475**	**9,832,067**	**10,525,334**	**10,113,143**	**9,762,987**	**10,727,538**	**10,498,037**	**11,252,151**	**11,348,089**
OTHER REVENUE	178,123	183,527	190,424	170,628	163,735	171,766	166,954	162,370	175,270	176,511	188,694	185,813
TOTAL GROSS REVENUE	**12,206,479**	**11,855,917**	**11,468,106**	**10,438,103**	**9,995,802**	**10,697,100**	**10,280,097**	**9,925,357**	**10,902,808**	**10,674,548**	**11,440,845**	**11,533,902**
REVENUE DEDUCTIONS												
CONTRACTUAL/BAD DEBTS	4,325,599	4,373,317	4,333,876	3,575,940	3,431,354	3,599,706	3,498,864	3,402,749	3,673,178	3,699,110	3,954,476	3,894,085
CHARITY CARE	228,807	286,703	161,320	183,340	175,928	184,558	179,389	174,461	188,326	189,655	202,748	199,652
TOTAL REVENUE DEDUCTIO	**(4,554,406)**	**(4,660,019)**	**(4,495,196)**	**(3,759,280)**	**(3,607,282)**	**(3,784,264)**	**(3,678,253)**	**(3,577,210)**	**(3,861,504)**	**(3,888,765)**	**(4,157,224)**	**(4,093,737)**
TOTAL NET REVENUE	**7,652,074**	**7,195,898**	**6,972,909**	**6,678,823**	**6,388,520**	**6,912,836**	**6,601,844**	**6,348,147**	**7,041,304**	**6,785,783**	**7,283,621**	**7,440,165**
OPERATING EXPENSES												
SALARIES & WAGES	2,937,485	2,881,961	2,825,114	2,687,378	2,585,360	2,728,572	2,644,111	2,573,700	2,803,894	2,734,699	2,890,779	2,874,744
BENEFITS	1,394,896	1,270,351	1,253,264	1,305,932	1,263,867	1,307,864	1,307,391	1,180,835	1,308,765	1,265,169	1,307,467	1,266,567
FEES-PHYSICIAN	546,378	540,743	518,039	453,979	450,296	475,639	465,502	442,546	508,872	491,770	536,712	546,846
FEES-OTHER	147,702	222,601	271,182	292,157	282,726	293,358	289,893	280,500	293,960	294,318	303,250	299,526
SUPPLIES	647,733	779,681	654,108	740,737	714,455	756,710	730,475	715,575	757,853	770,239	790,017	791,472
UTILITIES	146,211	152,735	163,316	173,108	172,840	173,169	172,981	172,792	173,312	173,342	173,809	173,709
REPAIRS & MAINTENANCE	175,298	177,230	180,259	269,992	255,976	260,327	259,108	255,455	262,160	263,171	274,807	270,811
LEASES & RENTALS	30,797	31,131	31,377	40,447	36,703	41,912	40,167	37,856	43,341	41,338	44,299	44,491
INSURANCE	48,405	45,736	53,925	58,168	56,183	59,120	59,246	53,389	60,912	57,958	59,687	58,427
INTEREST EXPENSE	162,367	162,350	159,541	101,915	101,914	101,915	101,914	101,913	101,917	101,916	101,920	101,919
OTHER EXPENSES	24,791	34,782	21,936	23,449	16,797	16,153	15,999	16,878	17,702	19,120	24,056	20,008
TOTAL OPERATING EXPENSES	**6,262,063**	**6,299,299**	**6,132,059**	**6,147,262**	**5,937,117**	**6,214,739**	**6,086,787**	**5,831,439**	**6,332,688**	**6,213,040**	**6,506,803**	**6,448,520**
DEPRECIATION & AMORTIZATION	574,786	575,977	575,226	565,783	548,154	566,474	565,643	511,335	567,048	547,810	566,454	547,961
TOTAL OPERATING COSTS	**6,836,848**	**6,875,276**	**6,707,285**	**6,713,045**	**6,485,271**	**6,781,213**	**6,652,430**	**6,342,774**	**6,899,736**	**6,760,850**	**7,073,257**	**6,996,481**
NET OPERATING INCOME	**815,225**	**320,622**	**265,624**	**(34,222)**	**(96,751)**	**131,623**	**(50,586)**	**5,373**	**141,568**	**24,933**	**210,364**	**443,684**
NON-OPER INCOME/EXPENSE												
INTEREST INCOME - GENERAL	-	-	12	1,086	1,042	1,093	1,063	1,033	1,116	1,123	1,202	1,182
OTHER INCOME	167,033	131,140	136,486	122,594	117,638	123,408	119,952	116,657	125,927	126,817	135,571	133,501
TOTAL NON-OPERATING	**167,033**	**131,140**	**136,498**	**123,680**	**118,680**	**124,501**	**121,015**	**117,690**	**127,043**	**127,940**	**136,773**	**134,683**
NET INCOME/LOSS	**982,259**	**451,761**	**402,122**	**89,458**	**21,929**	**256,124**	**70,429**	**123,063**	**268,611**	**152,873**	**347,137**	**578,367**
YTD NET INCOME/LOSS	**982,259**	**1,434,020**	**1,836,142**	**1,925,600**	**1,947,529**	**2,203,653**	**2,274,082**	**2,397,145**	**2,665,756**	**2,818,629**	**3,165,766**	**3,744,133**

Bartlett Regional Hospital
Dashboard Report
September 2013

Facility Utilization:	CURRENT MONTH			YEAR TO DATE		
	Actual	Prior Year	Budget	Actual	Prior Year	Budget
Inpatient:						
Patient Days - Med/Surg	346	347	386	1,033	1,128	1,173
Patient Days - Critial Care Unit	69	85	92	199	283	278
Avg. Daily Census - Acute	13.39	13.94	15.42	13.39	15.34	15.77
Patient Days - Obstetrics	95	78	104	291	230	306
Patient Days - Nursery	88	68	69	237	180	194
Births	37	29	33	110	94	96
Patient Days - Mental Health Unit	262	295	246	734	903	811
Avg. Daily Census - MHU	8.45	9.52	7.94	9.17	10.84	9.86
Surgery:						
Inpatient Surgery Cases	46	43	59	172	168	177
Same Day Surgery Cases	205	198	210	594	620	651
Total Surgery Cases	251	241	269	766	788	828
Total Surgery Minutes	17,225	17,245	18,952	51,244	54,617	57,386
Outpatient:						
Emergency Department Visits	1,241	1,417	1,217	3,994	4,034	3,961
Cardiac Rehab Visits	47	49	32	136	123	103
Lab Tests	7,778	8,093	9,169	24,295	26,055	28,513
Radiology Procedures	2,125	2,381	2,478	6,763	7,151	7,341
Sleep Studies	13	19	23	48	65	72
Rain Forest Recovery:						
Patient Days - RRC	382	410	376	1,198	1,175	1,142
Avg. Daily Census - RRC	12.32	13.23	12.11	13.02	12.77	12.41
Outpatient visits	352	412	N/A	1,150	1,565	N/A
Physician Clinics:						
Specialty Clinic Visits	480	659	581	1,036	1,059	1,768
Other Operating Indicators:						
Dietary Meals Served	21,325	21,203	19,890	67,773	66,799	60,997
Laundry Pounds (Per 100)	316.16	351.43	316.67	991.75	1,054.29	950.00
Financial Indicators:						
Revenue Per Adjusted Patient Day	6,193.13	5,292.42	5,436.65	6,586.03	5,292.42	5,502.52
Contractual Allowance %	33.22%	23.33%	36.09%	39.19%	34.50%	36.00%
Bad Debt & Charity Care %	6.64%	11.17%	9.18%	9.21%	9.90%	9.20%
Wages as a % of Net Revenue	34.56%	35.22%	35.21%	34.61%	37.30%	35.22%
Staff Hours Per Adjusted Patient Day	40.62	36.72	36.21	42.20	37.02	37.23
Overtime/Premium % of Productive	4.45%	5.81%	3.50%	5.01%	4.90%	3.50%
Days Cash on Hand	165	125	120	165	125	120
Days in Net Receivables	73	75	55	73	75	55

Credentials Committee
Hospital Privileges for the Board of Director's Consideration
Monday, October 21, 2013 12:15 p.m. – Robert F. Valliant Center Boardroom

INITIAL APPOINTMENTS TO THE MEDICAL STAFF:

Name	Category	Privileges In
1. Keegan Jackson, MD	**Active**	**Family Medicine w/OB**

Dr Keegan M. Jackson graduated from the Michigan State Univ College of Human Medicine in 2010. Dr. Jackson is a family medicine physician joining SEARHC – Juneau.

2.	**Jessica Porter, MD**	**Active**	**Family Medicine /OB, Tubal Ligation, C-Section, D&C, and Repair of 4th Degree**

Dr Jessica A. Porter graduated from the University of California - Davis Medical Center in 2009. Dr Porter is a family medicine physician joining SEARHC – Juneau.

REAPPOINTMENTS TO THE MEDICAL STAFF:

Name	Category	Privileges In
1. John D. Graber, MD	**Consulting**	**Cardiology**

Dr. John D. Graber graduated from the John Hopkins University in Baltimore, MD in 1967. Dr. Graber is a cardiologist for Virginia Mason Medical Center.

2.	**Ted Schwarting, MD**	**Active**	**Orthopedic Surgery**

Dr. Ted L. Schwarting graduated from the Kansas University Medical Center School of Medicine in Kansas City, KS in 1998. Dr. Schwarting is an orthopedic surgeon for Juneau Bone and Joint Center.

3.	**Paul Skan, MD**	**Active**	**Anesthesia**

Dr. Paul M. Skan graduated from the University of CA at San Francisco School of Medicine in 1985. Dr. Skan is an anesthesiologist for Bartlett Regional Hospital.

4.	**Wendy Smith, PAC**	**AHP**	**Outpatient Laboratory and Radiology, Inpatient H&P**

Ms. Wendy L. Smith graduated from the Seton Hill University in Greensburg, PA in 2003. Ms. Smith is a physician assistant for Family Practice Physicians.

REQUEST FOR WITHDRAWAL:

1. Michael Tobin, MD - (Courtesy – JEMA; Emergency Medicine)

X. ON-CALL

1. The Active Medical Staff shall assure, and participate in the provision of, medical coverage pursuant to the Hospital call schedule.
    a. Members of the Active Medical Staff 65 years of age or older may exempt themselves from this requirement by providing a written request 90 days in advance to the Medical Staff Executive Committee per policy 9500.018.
2. Where six (6) or greater members of the Active Medical Staff have been granted privileges for the following "essential services", members of each "essential service" line will contribute equitably to continuous ("24/7") on-call or in-house service among:
    a. Emergency Medicine
    b. Adult Medicine
    c. Pediatric Medicine
    d. General Surgery
    e. Orthopedic Surgery
    f. Anesthesia
    g. Obstetrics
    h. Neonatal Resuscitation Providers
    i. Psychiatry
    j. Radiology
3. Where fewer than six (6) members of the Active Medical Staff are granted privileges for an "essential service," members of that "essential service" line will provide on-call coverage for a minimum of fifteen (15) days per quarter, distributed proportionately between weekends and weekdays.
    a. This provision remains in effect until May 31, 2014.

ARTICLE VIII: CATEGORIES OF THE MEDICAL STAFF

8.1 The Medical Staff.

The Medical Staff consists of the Active, Associate, and Honorary staff. A member may be appointed to only one staff category at any time. Members are appointed to staff categories by the Hospital Board on the recommendation of the Medical Staff Executive Committee.

8.2 The Active Medical Staff.

The Active Medical Staff consists of physicians, dentists, and podiatrists who admit, consult or are actively involved in the medical affairs of the hospital and are able to provide continuous care to their patients at the Hospital.

a. **Citizenship:** Active Medical Staff are citizens of the hospital-based medical community and provide for the continuous care of patients within the hospital, including participation in on-call medical coverage. The Active Medical Staff performs all organizational and administrative functions of the Medical Staff and are responsible for seeking to maintain the quality of all medical care in the Hospital. Active Medical Staff members serve on Medical Staff committees, and attend Medical Staff meetings. Active Medical Staff members are eligible to vote and to hold Medical Staff office.

b. **Activity:** Active Medical Staff share active interest in the institution's clinical and administrative affairs, as evidenced by regular or ongoing hospital patient contacts, including inpatient admissions, inpatient consultations, inpatient or outpatient surgeries, or referrals to the hospital for services (e.g., ED, surgery, admission, diagnostic studies, etc.).

c. **Competence:** Active Medical Staff participate in sufficient patient care to be able to assess and evaluate current clinical competence.

8.3 The Associate Medical Staff.

The Associate Medical Staff consists of physicians, dentists, and podiatrists, including specialists, who are qualified for Medical Staff membership and exercise clinical privileges intermittently or infrequently (see section 8.3.b), as well as licensed independent Allied Health Professionals (e.g., advanced practice nurses, physician's assistants, certified nurse anesthetists, etc.) who provide care within the hospital, regardless of level of activity.

a. **Citizenship:** Associate Medical Staff are citizens of the hospital-based medical community and provide for the continuous care of patients within the hospital, ~~including participation~~ which may include participating in on-call medical coverage, as appropriate. Associate Medical Staff members are invited to participate in Medical Staff meetings, committees or other functions when present at the Hospital. Associate Medical Staff members are not required to attend Medical Staff meetings and may not vote or hold Medical Staff office. Associate Medical Staff are not required to sit on a

medical staff committee, but may ask or be asked to serve in this capacity. If the Associate Medical Staff is assigned to a committee, (s)he is required to attend applicable committee meetings, and is eligible to vote on committee business, but may not hold office.

b. **Activity:** Excepting Allied Health Professionals who provide care within the hospital, Associate Medical Staff members may admit, or exercise clinical privileges in the Hospital only on an intermittent or infrequent basis. Examples of providers whose activity is intermittent or infrequent include locum tenens, visiting consultants, ~~temporary providers~~, telemedicine providers, etc.

1. Clinical privileges shall be no greater than the scope of a provider's licensure or certifications.
2. Allied Health Professionals must have an Active Medical Staff sponsor or supervisor, unless the Credentials Committee grants an exception. The Credentials Committee may set conditions for the sponsorship or supervision.

c. **Competence:** Associate Medical Staff participate in sufficient patient care to be able to assess and evaluate current clinical competence.

8.4 The Honorary Medical Staff.

The Honorary Medical Staff consists of Medical Staff members of any category whom the medical staff wishes to recognize for distinguished past service, including physicians, dentists, and podiatrists. Honorary Staff members are relieved of Medical Staff duties and attendance requirements, may have "refer and follow" privileges, do not count towards quorum, and are not eligible to vote in general Medical Staff meetings or hold Medical Staff office. Honorary Staff members may attend meetings of the medical staff and may serve as a voting member on committees.

	Active	Associate	Honorary	Access to Services
Privileges:	Based on practitioner's practice	Based on practitioner's practice	Refer and Follow	Ordering tests / studies
Rights:				
General Medical Staff				
Membership	yes	yes	yes	no
Attend meetings	yes	optional	optional	by invitation
Hold office	yes	no	no	no
Vote	yes	no	no	no
Service Line / Committee				
Membership	yes	optional	optional	by invitation
Attend meetings	yes	if member	if member	by invitation
Hold office	yes	no	no	no
Vote	yes	if member	if member	no
Responsibilities:				
Emergency on-call coverage	yes	as appropriate	no	no

*Bylaws, Article VIII:8.3.a: "…may include particiapting in on-call medical coverage, as appropriate."

Credentials Committee\Forms\Copy of Medical Staff Categories Rights Responsibilties 10 01 2013

November 2013

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4 N Executive Committee	5	6	7	8	9
10	11	12 7 Credentials Committee BR	13	14 N Planning Committee BR	15	16
17	18	19	20 Proposed Board Retreat	21 5:15 Finance Committee BR Proposed Board Retreat	22 Proposed Board Retreat	23
24	25	26 5:15 Board of Directors BR	27	28 	29 9:00 QIC BR (hospital holiday)	30