

**SOUTH PENINSULA HOSPITAL, INC.
REGULAR BOARD MEETING**

SPH Conference Rooms

March 26, 2008

CALL TO ORDER

The meeting was called to order at 6:03 p.m. by President Walt Partridge.

ROLL CALL:

| | | |
|----------|----------------|---------------|
| Present: | Barbara Howard | Pat Hartley |
| | Peg Coleman | Bernie Wilson |
| | Walt Partridge | |

Excused: Terry Thompson

Also Present: Bob Letson, CEO
MaLisa Mudgett, CFO
Dr. Pat Brady, Chief of Staff
Lori Meyer, Controller
Rosemary Craig, QI/RM/UM Manager
Jan Hanenberger, Homer Secretarial Services

ANNOUNCEMENTS, WELCOME GUESTS & PUBLIC

President Partridge introduced the hospital's new CEO, Bob Letson, the new CFO, MaLisa Mudgett, and welcomed Controller, Lori Meyer.

APPROVAL OF AGENDA AND CONSENT AGENDA

HOWARD MOVED FOR APPROVAL OF THE AGENDA AND ASKED FOR CONCENSUS.

The motion carried with no objection.

COMMENTS FROM THE AUDIENCE

- Lori Meyer mentioned she was happy to have Ms. Mudgett and Mr. Letson on board.

APPROVAL OF CONSENT AGENDA

HOWARD MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED AND ASKED FOR CONCENSUS.

- Approval of Minutes of the January 23 Board Meeting.
Approved: unanimous.**
- Approval of Minutes of the February 27 Board Meeting.
Approved: unanimous.**

The motion carried without objection.

UNFINISHED BUSINESS

SPHI Bylaws Amendments Approval

HARTLEY/COLEMAN MOVED/SECONDED:

TO ACCEPT THE FINAL DRAFT OF THE BYLAWS AS PRESENTED IN THE PACKET.

Ms. Howard thanked all those who participated in the project and asked for a friendly amendment to the motion to include formatting needs to the document.

There was no objection to the friendly amendment. Amendment passed.

There was no objection to the original motion. Motion passed.

Review of Board Policies

President Partridge mentioned this item was remanded by motion to be on the agenda for the March meeting. Since the review was unable to be accomplished in such a short period of time he suggested a motion to table and remand to the April meeting.

HOWARD MOVED TO TABLE AND REMAND TO THE APRIL MEETING.

There were no objections. Motion passed.

Critical Access Hospital Inspection

President Partridge referred to a memo from Mr. Letson included in the meeting packets regarding action for reaching closure on this item.

HOWARD/HARTLEY MOVED/SECONDED:

FOR THE CRITICAL ACCESS HOSPITAL INSPECTION OPTIONS AND DIRECTION TO THE CEO BE PLACED ON THE FLOOR FOR DISCUSSION AND POSSIBLE APPROVAL.

Mr. Letson provided updated information on discussions with the State Department of Health and Social Services, followed by a recommendation to proceed with a Joint Commission accreditation survey for CAH. Discussion followed.

COLEMAN/HOWARD MOVED/SECONDED:

FOR ADMINISTRATION TO MOVE FORWARD WITH THE CRITICAL ACCESS PORTION OF THE JOINT COMMISSION SURVEY.

There was no objection. Motion passed.

HOWARD MOVED FOR THE STAFF TO PREPARE A RESOLUTION COVERING THE ISSUES PRESENT AND SEND THIS TO SENATOR STEVENS' OFFICE WITH COPIES TO REPRESENTATIVE SEATON, GOVERNOR PALIN, AND BOROUGH MAYOR WILLIAMS WITH A COVER LETTER TO BE PREPARED AND SIGNED BY THE PRESIDENT OF THE OPERATING BOARD.

Ms. Coleman made a friendly amendment to the motion to include a copy sent to Homer Mayor Hornaday.

There was no objection to the friendly amendment. Amendment passed.

There was no objection to the main motion. Motion passed.

**HOWARD/COLEMAN MOVED/SECONDED:
TO EXPEDITE THINGS THE RESOLUTION BE CREATED BETWEEN THE MEMBERS ELECTRONICALLY, THE RESOLUTION BE APPROVED ELECTRONICALLY AFTER IT HAS BEEN DEVELOPED, AND THAT PRESIDENT PARTRIDGE IS AUTHORIZED TO PREPARE AND SIGN THE LETTER.**

There was no objection to the motion. Motion passed.

Ms. Coleman suggested Ms. Ferraro create some common talking points and language for the members when speaking with the legislators.

For purposes of discussion and consideration:

**HARTLEY/HOWARD MOVED/SECONDED:
TO SEND "SOMEBODY" TO THE LEGISLATURE IN JUNEAU TO HAND CARRY THE COVER LETTER AND THE RESOLUTION TO THE LEGISLATORS AND GOVERNOR.**

Ms. Hartley explained that she said "somebody" because she was not clear if it was appropriate for it to be a member of administration or the board.

For discussion purposes Ms. Howard felt it should be both the CEO and the president of the board. Ms. Coleman suggested making an appointment to meet with the legislators and administrative personnel.

There was no objection to the motion. Motion passed.

Board Education Update by Governance Committee

No report. Committee has not met.

NEW BUSINESS

Pension Plan Trustee Resolution

President Partridge reviewed Board Resolution #08-04 appointing new CFO MaLisa Mudgett as a trustee, reappointing existing trustees, and appointing Bob Letson as Plan Administrator.

**COLEMAN/HOWARD MOVED/SECONDED:
TO ADOPT RESOLUTION #08-04.**

The motion carried without objection.

Chairman to Appoint Board Member to Membership Committee and Board Education Committee

President Partridge mentioned he has learned there is a possibility of additional board members joining the BOD and requested remanding this item to the April meeting.

HARTLEY/WILSON MOVED/SECONDED:

TO TABLE THE ASSIGNMENT OF MEMBERS TO COMMITTEES UNTIL THE APRIL MEETING.

The motion carried without objection.

Chairman to Discuss Operations of Oversight Committee

President Partridge reviewed the proposal to disband the Ad Hoc Operations Oversight Committee created during the special situation at the hospital.

HARTLEY/COLEMAN MOVED/SECONDED:

TO DISBAND THE AD HOC OPERATIONS OVERSIGHT COMMITTEE AS OF THIS DATE.

The motion carried without objection.

Pennock Apartment Lease

President Partridge reported this apartment is needed for traveling temporary employees of SPH.

HOWARD MOVED TO APPROVE THE RESIDENTIAL LEASE AGREEMENT WITH THE ELAN GROUP LLC FOR THE PROPERTY AT 4164 PENNOCK STREET FOR FIVE MONTHS COMMENCING APRIL 1, 2008 UNTIL AUGUST 31, 2008 AND ASKED FOR CONSENSUS.

The motion carried without objection.

REPORTS

Finance Committee

There were no comments or questions on the Financial Report. President Partridge pointed out that if the hospital had had the CAH status for the last six months the EBITDA would be a positive \$100,000 instead of the negative \$200,000.

President – Mr. Partridge

Other than his written report President Partridge mentioned the following:

- Verified all members received a letter from Kachemak Bay Family Planning.
- Received notification by the Legislative Information Office that Senate Bill 245, repealing the CON, will be up for debate on March 28 at 1:30 p.m. Public testimony is being taken.
- President Partridge, MaLisa Mudgett, and Bob Letson met with KPB Mayor Williams and discussed various hospital issues.
- Assembly members Milli Martin and Bill Smith would like to formally meet Mr. Letson and Ms. Mudgett. Meeting will be held tomorrow at 1:15 p.m.
- Questions have developed regarding what items can and should be placed on consent agendas.
- Requests to members for agenda items will be done by email.

Questions and answers followed regarding Senate Bill 245. Members requested information on the CON issue in order to respond to questions from the public.

Chief of Staff – Dr. Brady

Dr. Brady reported:

- Medical Staff will be reviewing their QI activities as well as their Bylaws.
- Surgeon from OR is interested in working at SPH.
- CEO is meeting with doctors on an individual basis. Meetings have been going well.

Chairman SAB

No one present from the SAB.

Administrator

Mr. Letson reported:

- Meeting with the doctors individually with approximately 10 more to hold meetings with.
- Oncologist has expressed an interest in coming to SPH several times per month and may be asking for staff privileges.
- Received an email notification his Nursing Home Administrator license had been granted.

BOD Representative to SAB Meeting

There were no comments or questions to the written report.

Marketing

Comments and questions took place. Ms. Hartley reported the web site is looking great and the new hospital logo will be completed soon. Ms. Howard mentioned the SPHFI is partnering with the hospital and will hold another round of tours of the new area on April 3.

Governance Committee

Committee had no report this month but does have a recommendation for Executive Session.

Legislative Update

It was suggested Administration handle this report. There was no objection.

Comments of Audience

No comments.

Comments of Board/Staff

- MaLisa Mudgett mentioned this was her second week as CFO at SPH, is happy to be here, and Ms. Meyer has been very helpful. She is in a learning stage and is identifying areas in which to help the hospital.
- Peg Coleman welcomed Ms. Mudgett.
- Pat Hartley welcomed Ms. Mudgett and offered the board's help with any questions she may have.
- Barbara Howard welcomed Ms. Mudgett and Mr. Letson, thanked Homer Secretarial Services for their work, congratulated Mr. Letson on receiving his license, reported 50 BOD recruitment packages have been sent to possible candidates for the three vacancies on the board, and thanked Sara Karnos, in Administration, and Bernie Wilson for their hard work on the packages. Ms.

Howard suggested having quarterly and semi-annual reports showing how their requirements for the SL&OA have been met, what grants are available and if they have been applied for, and updates on hospital lawsuits and claims.

- Bernie Wilson welcomed Ms. Mudgett and Mr. Letson.
- Walt Partridge welcomed Mr. Letson and Ms. Mudgett, thanked Ms. Meyer for all her hard work, congratulated Mr. Letson on receiving his Nursing Home Administrator license, and thanked the ad hoc committee members of the Operations Oversight Committee for all their efforts.

HOWARD MOVED FOR THE BOD TO GO INTO EXECUTIVE SESSION TO DISCUSS PERSONNEL AND FINANCIAL MATTERS.

Motion passed without objection.

*******INTO EXECUTIVE SESSION – 7:30 P.M. *******

*******RETURN TO REGULAR SESSION – 8:05 P.M.*****.**

**HOWARD/COLEMAN MOVED/SECONDED:
THAT DR. JAMES PETERSEN BE REAPPOINTED TO THE ACTIVE MEDICAL STAFF AND
DR. VICKEY HODNIK AND DR. BRIAN PLASIL BE REAPPOINTED TO THE COURTESY
MEDICAL STAFF OF SOUTH PENINSULA HOSPITAL.**

Unanimous consent.

**HOWARD/COLEMAN MOVED/SECONDED:
TO APPOINT NINA ALLEN TO FILL THE BOD VACANCY EXPIRING 12/2010.**

Unanimous consent.

**HOWARD/COLEMAN MOVED/SECONDED:
TO APPOINT KELLY COOPER TO FILL THE BOD VACANCY EXPIRING 12/2009.**

Unanimous consent.

Meeting adjourned at 8:08 p.m.

Respectfully submitted,

Accepted:

Janet E. Hanenberger
Homer Secretarial Services
Minutes Approved: _____

Walt Partridge, President

Pat Hartley, Secretary