

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

SPH Conference Rooms

June 25, 2008

CALL TO ORDER

THE BOD WENT INTO EXECUTIVE SESSION TO DISCUSS PERSONNEL AND FINANCIAL MATTERS PRIOR TO THE START OF THE REGULAR MEETING.

*******INTO EXECUTIVE SESSION – 5:15 P.M. *******

*******OUT OF EXECUTIVE SESSION – 7:00 P.M.*******

****** REGULAR SESSION – 7:10 P.M.*****.**

President Walt Partridge called the regular meeting to order at 7:10 p.m.

Present:	Barbara Howard	Terry Thompson
	Peg Coleman	Bernie Wilson
	Kelly Cooper	Walt Partridge
	Nina Allen	

Excused: Pat Hartley

Also Present: Bob Letson, CEO
MaLisa Mudgett, CFO
Dr. Patrick Brady, Chief of Staff
Rosemary Craig, QI/RM/UM Manager
Christine Anderson, Director of Patient Care Services
Gregg Browngoetz, IS Manager
Derotha Ferraro, Marketing Coordinator
Sara Karnos, CEO Administrative Assistant
Dr. C. B. Lillibridge, Medical Staff
Jan Hanenberger, Homer Secretarial Services

A quorum was present.

ANNOUNCEMENTS, WELCOME GUESTS & PUBLIC

President Partridge welcomed the guests and public.

Prior to approval of the agenda, President Partridge announced Item 9 b., Review of Governing Body Bylaws in relation to Joint Commission Compliance: First Reading, would not be discussed this evening; under Item 9 c., Item iii, Credentialing, was added.

Howard/Cooper moved to accept the agenda as modified.

Motion carried without objection.

COMMENTS FROM THE AUDIENCE

No comments.

APPROVAL OF AGENDA AND CONSENT AGENDA

President Partridge read the Consent Agenda items:

- Approval of Minutes of the May 28 Board meeting.
- Consideration to approve certain Board of Director Policies: new Finance Policies F-AA through F-EE. These policies were approved at the last Board meeting and assigned temporary numbers until approval of the other Finance Policies. Should now be assigned standard Finance Policy numbers.
- Phase III Construction Update. This report is a current status of the Phase III construction project.
- Board Approval of Extension of Hospice Agreement for one year. No modifications to previous contract.
- Review of SPH Patient Care Services and potential services to consider: This is a document which is a CAH requirement to have in place. Another CAH requirement being Board approval of Authority Statement for Infection Control which is an approval for the Board President to assign it.
- Reports: Finance Committee, Administrator, Membership Committee, Governance Committee and Marketing.

**Wilson/Thompson moved/seconded:
To approve the consent agenda as read.**

Motion carried with no objection.

BOARD EDUCATION: Health Information Technology Overview – Gregg Browngoetz, IS Manager

Mr. Browngoetz provided information on his prior background, an overview of the health information management system at the hospital, changes already made to the system, and plans for other changes and improvements. Questions and answers followed.

UNFINISHED BUSINESS

a. Consideration to Approve Certain Board of Director Policies: F-01 through F-10 and EMP-04
Policy F-01: President Partridge reviewed and discussion followed regarding item 3.

**Howard/Coleman moved/seconded:
In F-01, Item 3, to insert the word “may” after the word “fund” and it would then read “fund may be repaid with interest equivalent to the interest rate”.**

Motion carried without objection.

Policy F-02: President Partridge reviewed the policy and discussion followed regarding item 4.

Howard/Thompson moved/seconded:

In F-02, Item 4 would read “Borrowing from the fund for the purposes of operating capital may occur only with a super majority of the Board. Funds borrowed from the employee health fund will be repaid with interest equivalent to the interest rate currently earned by the fund.”

Motion carried without objection.

Policy F-09: President Partridge reviewed the policy and discussion followed regarding Item 2 – a.

Howard/Coleman moved/seconded:

To change F-09, Item 2-a, to read “\$1,000 and with a useful life greater than 1 year”.

Motion carried without objection.

Policy F-10: President Partridge reviewed suggested changes to the policy by the committee and the CFO. CFO Mudgett provided background and reasons for the changes.

Howard/Allen moved/seconded:

To change FTE’s per average occupied bed to adjusted occupied bed.

Motion carried without objection.

It was also decided to include the following items in the monthly report to the Board:

1. LTC Occupancy
2. FTE’s Per Adjusted Occupied Bed
3. Average Daily Revenue
4. Average Daily Expense
5. Inpatient Charge Per Day
6. Outpatient Charge Per Day
7. Contractual % By Payer
8. Operating Expense Per Adjusted Patient Day

Howard/Coleman moved/seconded:

To approve F-01 through F-10 and EMP-04 as amended and presented.

Motion carried without objection.

b. Discussion of Critical Access Hospital Inspection Status and Joint Commission Survey Preparation and Update

With help from Dr. Cotten, CEO Letson reported the state has agreed to conduct the CAH survey using a surveyor from Washington. A definite date has not been provided. Since a LTC survey is also due they may do both at the same time. The hospital departments are continuing to prepare for the CAH survey and the state has agreed to cover the cost of the survey. Since it is a higher level of readiness to prepare for the Joint Commission survey it may take until November 1 to be ready. Fees to apply for Joint Commission are approximately \$10,000 plus employee preparation costs.

NEW BUSINESS

a. Marketing Committee Rollout of New Logo

Ms. Howard provided background on arriving at the new hospital logo with help from Derotha Ferraro, SPH Marketing Director.

Coleman/Allen moved/seconded:

To confirm the new logo as presented.

Motion carried without objection.

Ms. Ferraro then provided a brief presentation comparing the old logo to the new. She also reported the website is ready to be completed.

b. Review of Governing Body Bylaws in Relation to Joint Commission Compliance

Removed from agenda.

c. Actions as Result of Executive Session

i. Approve Contract Charge for Services

Howard/Cooper moved/seconded:

To accept the anesthesiology rate increase as presented by the CEO.

Motion carried without objection.

ii. Confirm Selection of Negotiation Consultant

Howard moved:

To approve the negotiation consultant contract with Owens Incorporation not to exceed the amount of \$50,000.

Mr. Letson explained the amount was based on an hourly rate and could be more than estimated. Ms. Howard amended her motion to be:

Howard/Thompson moved/seconded:

To approve the negotiation consultant contract with Owens Incorporation not to exceed \$60,000 which is the 2009 budget amount.

Motion carried without objection.

iii. Credentialing

Howard/Coleman moved/seconded:

That Dr. Larry Lawson and Dr. David Nelson be appointed to the active medical staff of South Peninsula Hospital, and that Dr. Bobbie Behrens be reappointed to the courtesy medical staff of South Peninsula Hospital.

Motion carried without objection.

REPORTS

President

Nothing to report.

SAB Meeting Representative

Mr. Thompson reported:

- SAB members discussed promoting and advertising for vacant SAB seats coming up for election in the fall as well as other items regarding SPH.
- KPB Assembly Member Bill Smith provided information on the mill rate for the service area which is currently 2.3 mills.
- SAB will not be holding a regular July meeting.

Chief of Staff

Other than his written report and inserts in the meeting packet, Dr. Brady reported:

- Medical Staff is involved quite heavily in the survey preparation.
- They are working on Bylaw changes.

Ms. Allen asked how patient complaints were handled. Dr. Brady said they usually go before the MEC.

Strategic Planning

CEO Letson mentioned:

- First meeting of the Strategic Planning Committee will be held in three weeks. There is a sub-committee gathering data required per KPB instructions.
- Brent Parks, who has helped other organizations with the strategic planning process, has been contacted to possibility provide assistance to SPH. Mr. Letson will report back on this.

COMMENTS FROM THE CEO/CFO

No comments.

COMMENTS FROM THE BOARD

- Barbara Howard mentioned the SPHI Foundation sent an apology letter and provided a tour to the individuals who left a suggestion in the "Suggestion Box" that was not found in a timely matter. New guidelines have now been established regarding these items. She also mentioned hearing good comments regarding Mr. Letson.
- Kelly Cooper felt they've received insight into what the Board needs to put their priority towards.
- Nina Allen was impressed with all the hard work contributed by everyone.
- Terry Thompson reminded everyone Governor Palin will be in Homer tomorrow and will be at Islands and Oceans at approximately 4:30 p.m. It would be a good opportunity to thank her for the capital funds that came to SPH. Ms. Howard mentioned posters brought to the event will be arranged in a room. Photos will be taken of them to provide a way of reference to items of interest in the community.

- Walt Partridge mentioned receiving an invitation from KPB Mayor Williams to attend a joint meeting with Ryan Smith, CEO of Central Peninsula General Hospital, CEO Letson, and the mayor on July 14.

COMMENTS FROM THE AUDIENCE

- Derotha Ferraro provided samples of merchandise for the Homer Spit Run co-sponsored by the Homer News, Homer Senior Citizens, and SPH each year. The event will be on June 28.

She is assisting the SAB with their marketing. There will be an insert in the newspaper as well as a booth at the KP Fair.

A poster has been prepared for Governor Palin's visit tomorrow regarding the hospital expansion and possible requests for funds.

- Christine Anderson complimented the BOD on their new agenda format.

ADJOURNMENT.

Howard moved for adjournment.

There was no objection.

Meeting adjourned at 8:30 p.m.

Respectfully submitted,

Janet E. Hanenberger
Homer Secretarial Services
Minutes Approved: _____

Accepted:

Walter Partridge, President

Pat Hartley, Secretary