

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

**SPH Conference Rooms**

**January 27, 2010**

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**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 – 5:22 p.m.\*\*\*\*\***

**\*\*\*\*\*Out of Executive Session – 6:54 p.m.\*\*\*\*\***

**\*\*\*\*\* Regular Session – 7:05 p.m.\*\*\*\*\*.**

President Kelly Cooper called the regular meeting to order at 7:07 p.m.

Present:	Kelly Cooper	Vickey Hodnik
	Nina Allen (telephonic)	Kent Haina
	Walter Partridge	Julie Woodworth
	Bernadette Wilson	Matt North

Also Present: Robert Letson, CEO  
Lori Meyer, Acting CFO, Controller/Materials Manager  
Christine Anderson, Director of Patient Care Services  
Sara Karnos, Administrative Assistant  
Judith Lund, Service Area Board Chair  
Greg Guy  
Matt Hambrick  
Jan Hanenberger, Homer Secretarial Services

A quorum was present.

**Announcements, Welcome Guests & Public**

President Cooper welcomed everyone and mentioned Margaret Coleman would not be joining the BOD at this time due to personal matters.

**Approval of Agenda**

Ms. Woodworth requested the following changes under New Business:

- Add Item H, Membership Committee Recommendation for a Board Seat.
- Add Item I, Travel Request.

There were no other changes

Woodworth/North moved/seconded:  
To approve the agenda as amended. Motion passed.

**Comments of Audience**

- Greg Guy, husband of Cherlynn Guy, former RN/House Supervisor at SPH addressed the BOD. Due to on-going problems his wife has experienced at the hospital, she is now seeking psychiatric counseling in Anchorage. He voiced his unhappiness and concerns of events that he feels led to her condition and are also happening to other nurses. A grievance has been filed and the BOD will monitor this action.

**Approval of Consent Agenda**

Woodworth/North moved/seconded:  
To approve the Consent Calendar.

Board Secretary Wilson read the Consent Calendar items into the record:

- A. Consideration to Approve the Minutes of December 16, 2009 Regular Board of Directors Meeting.
- B. Consideration to Approve CEO Travel
- C. Consideration to Approve 2010 Action Calendar
- D. Ratify Email Vote for Resolution 10-19, Approving 403(b) Plan Description and Summary Plan Description
- E. Acceptance of Annual Report to Contract Administrator
- F. Acceptance of Annual Corporate Compliance Report
- G. Acceptance of Membership Committee Annual Report
- H. Acceptance of Quality Improvement Committee Annual Report
- I. Acceptance of Marketing Committee Annual Report
- J. Acceptance of Construction Committee Annual Report
- K. Acceptance of Strategic Planning Committee Annual Report
- L. Acceptance of Education Committee Annual Report
- M. Acceptance of Pension Plan Committee Annual Report

Motion passed.

**Presentations:**

None

**Reports:**

**A. Service Area Board Representative**

Chair Judith Lund reported:

- President Cooper attended the last SAB meeting, as well as Craig Chapman, KPB Finance Director, and KPB Assembly Representatives Mako Haggerty and Bill Smith.
- Sharon Whytal, Communities Project Coordinator, also attended the last meeting and provided a report on the Needs Assessment. The SAB felt they could provide funds for a coordinator to continue the project.

- Board had a lengthy discussion on the MRI building and recommended approving the additional \$300,000 for the building.
- SAB supported SPH in discontinuing the PCA service, but included a stipulation that all current clients are able to be placed with other agencies.

**B. Chief Executive Officer**

Other than his written report, CEO Letson mentioned the quote came in today for the mobile MRI building at just under \$800,000; cost for the egress sidewalk came in at just under \$40,000. They also received a favorable CON letter today. Questions and answers followed on items in Mr. Letson's written report.

Mr. Haina mentioned the BOD was invited to attend the Jamie Orlikoff presentation being held at Central Peninsula General Hospital on March 2<sup>nd</sup> from 9:00 a.m. until noon, and asked what process they should take in signing up to attend. Mr. Letson said to notify Administration and they will notify CEO Ryan Smith at CPGH. The SAB is also invited and it will be a good opportunity for SPH's BOD and SAB to interact with the CPGH boards. Mr. Orlikoff's tapes have been purchase for SPH.

**D. Chief Financial Officer**

Lori Meyer mentioned Craig Chapman, KPB Finance Director, contacted her concerned about the December financials. She answered questions he had and also mentioned to him that January revenue was looking good.

**E. Board President**

President Cooper reported:

- Receiving an email from Mark Moronell, GOP candidate for state senate seat out of Anchorage, who would like to meet with the BOD to discuss his campaign platform. BOD policy and an interpretation by their attorney indicated they could not support a political candidate. She suggested an email to him saying he is welcomed to speak during the public comment portion of their meeting. If the board would like to reconsider this policy it could be brought to the Governance Committee.
- In February the board will have a discussion on Committee Charters in preparation for planning their work for the year. She thanked the committees for the wonderful annual reports.

**F. Board Committees:****Finance**

Mr. Partridge mentioned:

- The committee shared Mr. Chapman's concerns regarding the financials last month which almost wiped out the positive EBITDA. Collections have been brought under control for the first time in approximately seven years, but as a result caused a huge amount of write offs that had to be taken in order to bring deductions from revenue into line. Financials will be closely monitored.
- Days of Cash on Hand increased by seven days which is helpful.

- The committee has been provided with a report containing quite a bit of information on fraud protection coverage. A recommendation to the board will be provided after review.
- A resolution and letter regarding the MRI building has been prepared for KPB Mayor Carey. This will be covered later on the agenda.
- Acting CFO/Controller Meyer's time has been adjusted to allow more time towards the financial CFO position rather than bringing in and training an interim CFO.
- Sleep Lab now has a provider number but they are waiting for an unannounced inspection which will bring SPH into compliance with Medicare/Medicaid. Re-billing can then be started.
- The committee feels the Pension Plan compliance legal review is a good document and the attorney says SPH is in compliance. It's been suggested the trustees provide the BOD with quarterly reports on how the Pension Plan is doing.

### **Governance**

No verbal report.

### **Membership**

No verbal report

### **Quality Improvement**

Ms. Wilson reported meeting packets have gone from paper to electronic with some members still receiving both types. Documents are also provided electronically on a large screen during meetings. She then reviewed highlights of her written report:

- Pharmacy has developed an alert system for identifying problem drugs in an effort to reduce medication errors.
- SPH has a lower number of infection rate then the national average.
- OB has a new infant banding system. The baby receives two bands, the mother one, and a significant other also receives one.
- C-Section rate went from 20.3% in 2009 to 28% in 2010; national average 14.9%.
- Epidural rate is 26% with 50% to 90% nationally.
- They are waiting for a new QI person to come on board to spearhead the committee.
- Reminder informational notices on HIPAA re being sent to employees every Monday.
- Wound care has become a hot topic. One of the things people can get when in the hospital is pressure ulcers and this is something that will not be paid for by patient coverage.
- Acute Care and ER have had numerous chart audits and charting tools put into place to help with compliance of documentation.
- CAH average length of stay is well below the maximum four day average.
- Welcomed Deanna Graham as the new QI Director. CEO Letson said Ms. Graham has only been here one month and is doing very well.

### **Marketing/Website**

Mr. Haina reported meeting with Ms. Ferraro, Public Relations and Business Development Director. They now have a meeting schedule and are checking into creating a Charter.

Mr. Partridge asked if they had received the requested templates of Committee Charters. President Cooper will follow up on this.

**Construction.**

Ms. Wilson reported the 'Half Moon' portion (18 Acute Care rooms and associated support areas) has been completed and occupied. Shortly thereafter demolition of the old AC area started, project is going well and is on schedule and on budget.

**Strategic Plan**

Mr. Partridge had nothing further to add to the annual report in their packets. The committee has not met since March of 2009 when the Strategic Plan was presented to the KPB Mayor. The plan was also reviewed at their Retreat. The only thing coming up will be to integrate what comes out of the Community Health Needs Assessment Report results into the plan.

**Education**

Mr. Partridge reported the committee will be putting together the 2010 curriculum.

**BOD Representative to SAB Meeting**

President Cooper encouraged the members to sign up to attend the SAB meetings. It is very evident of the respect the members have for each other, their work is greatly appreciated, and they have great meetings.

**Pension Plan**

Other than his written annual report Mr. Partridge suggested this committee be disbanded. The committee consists of two members who are also Trustees.

**Unfinished Business**

**A. Review of Pension Plan Compliance Legal Review**

Mr. Partridge mentioned this item had been covered in the Finance Committee Report and all items on the checklist have been completed. There were no questions and no action needed to be taken on this item.

**New Business**

**A. Review of Strategic Action Plan Quarterly Report**

CEO Letson mentioned an update was included on what has been accomplished for each action item in the first and second quarter. These will continually be updated and most of the items are having good progress. There were no questions.

**B. Consideration to Approve Request for Proposal for Security Agency**

CEO Letson reported there have been some issues with the current security program due to compliance with regulations. An RFP was suggested to the following three agencies in the peninsula area:

- Peninsula Surveillance & Patrol, Homer
- Guardian Security Systems, Inc., Anchorage

- Kenai Security Services, Kenai

CEO Letson mentioned SPH also considered performing their own security service but the number of disadvantages, including insurance, outweighed that option.

Woodworth/Hodnik moved/seconded:

To approve the Request for Proposals and list of firms to be invited as submitted. Questions and suggestions followed. Corrections in the formatting of the document will be addressed. Motion passed.

**C. Consideration to Approve Resolution 2010-01-A, Authorizing Bank Signers**

CEO Letson noticed an error in the document and it was tabled until next month's agenda at which time it will receive a different resolution number. Ms. Woodworth recommended using only the last four digits of the bank account number for security reasons.

**D. Consideration to Approve Resolution 2010-01-A (formerly 2010-02-A), Authorizing Purchase of a Modular Building to House the MRI**

CEO Letson mentioned after looking closely at the options given the budget levels for this project, the recommendation of Administration is to select a modular building not to exceed \$800,000. The recommendation was forwarded to the Finance Committee and approved. The SAB has agreed to supplement \$300,000 to the existing funds of \$528,000 if it is approved by the KPB Assembly. The KPB Mayor requested the BOD send a formal recommendation to him stating specifically what the board would recommend for this project.

Partridge/Woodworth moved/seconded:

To pass and adopt Resolution 2010-01-A, a resolution of South Peninsula Hospital Board of Directors authorizing purchase of a modular building to house the Magnetic Resonance Imaging scanner at a cost not to exceed \$850,000, and to authorize forwarding a letter that is suggested. Questions, answers, and discussion followed. There was concern that other costs such as the \$40,000 for the sidewalk required by the Fire Marshall for LTC, and moving the current MRI mobile unit which could possibly cost up to \$50,000, may push the amount over \$1 million which would require voter approval. Since the sidewalk is required for LTC, and is not a part of the MRI project, the cost is not included in the MRI project. Mr. Letson will obtain the cost of moving the mobile unit and report back to the board.

The role call vote: Yes – Wilson, Cooper, North, Hodnik, Partridge, Woodworth, Haina

No – 0

Excused – Allen (Phone connection lost.)

Motion passed.

**E. Discussion of Annual Review of Board of Directors Bylaws**

Secretary Wilson read the recommendation of the Governance Committee into the record as follows: *Bylaws reviewed and request Governance Committee to evaluate and make recommendations at future meeting if necessary. If recommendations are suggested*

*Governance Committee prepare to present for multiple readings as required in our Bylaws. Issue: The Bylaws call for annual review of this document at the annual meeting.*

Wilson/Haina moved/seconded:

That the Governance Committee review and evaluate the South Peninsula Hospital, Inc. Board of Directors Bylaws and make necessary recommendations for any changes at a future board meeting if necessary. If recommendations are suggested, Governance Committee will prepare to present for multiple readings as required in our Bylaws. There were no questions or comments. Motion passed.

**F. Election of Officers to Serve for 2010**

Secretary Wilson read the recommendations regarding election of officers into the record as follows:

1. Conduct the election of officers
  - President – one year term
  - Vice President – one year term
  - Secretary – one year term
  - Treasurer – one year term

in the customary manner of receiving nominations from the floor and then a vote. The Governance Committee is recommending a roll call vote process.

Woodworth/North moved/seconded:

To nominated Kelly Cooper as President. There were no other nominations and nominations were declared closed.

The role call vote: Yes – Wilson, Cooper, North, Hodnik, Partridge, Woodworth, Haina  
No – 0  
Absent – Allen

Motion passed.

North/Hodnik moved/seconded:

To nominate Julie Woodworth as Vice President. There were no other nominations and nominations were declared closed.

The role call vote: Yes – Haina, Partridge, Cooper, North, Wilson, Hodnik, Woodworth  
No – 0  
Absent – Allen

Motion passed.

Partridge/Woodworth moved/seconded:

To nominate Bernadette Wilson as Secretary. There were no other nominations and nominations were declared closed.

The role call vote: Yes – Cooper, Hodnik, Haina, Partridge, Woodworth, Wilson, North  
No – 0  
Absent – Allen

Motion passed.

Woodworth/Haina moved/seconded:

To nominate Walter Partridge as Treasurer. There were no other nominations and nominations were declared closed.

The role call vote: Yes – Haina, Partridge, Cooper, North, Wilson, Hodnik, Woodworth

No – 0

Absent – Allen

Motion passed.

**G. Consideration to Approve Notice of Change**

Haina/Woodworth moved/seconded:

To approve the State of Alaska notice of change revised per the election of officers held today, January 27, 2010. Motion passed.

**H. Membership Committee Recommendation for New Board Member**

Ms. Woodworth introduced Matt Hambrick. The Membership Committee, along with board members Matt North and Bernadette Wilson, met with Mr. Hambrick and recommend his appointment to the BOD to fill the seat vacated by Margaret Coleman. The term expires December 31, 2010 and the appointment is to be ratified by a vote of the board by anonymous ballot. The vote was unanimous.

**I. Travel Request**

CEO Letson mentioned there is FLEX grant money available from the Alaska Small Hospital Performance Improvement Network (ASHPIN) to offset costs of CEOs and board members attending meetings and conferences for up to \$1,900 per facility. A Rural Healthcare Leadership Conference is scheduled for February 7 – 10 in Phoenix, AZ, as well as other meetings scheduled in March, April, and June that the funds could apply to.

Partridge/Woodworth moved/seconded:

To approve the travel request for CEO to attend the Rural Health Care Leadership Conference using \$625 from 41470.100 and \$1,737 from account 41469.100, to be reimbursed in the amount of \$1,900 from ASHPIN’s FLEX grant.

After some discussion Mr. Haina made a friendly amendment to change one word as follows, “...request for CEO to attend the Rural Health Care Leadership Conference...” , to be “...request for CEO to attend a Rural Health Care Leadership Conference...”. There were no objections.

The role call vote: Yes – Cooper, Hodnik, Haina, Partridge, Woodworth, Wilson, North

No – 0

Absent – Allen

Motion passed.

Ms. Wilson mentioned election of officers had a Part Two: Authorize Corporate Secretary to prepare and distribute the Notice of Reorganization within 14 days, and motion to approve the State of Alaska's Notice of Change for the Election of Officers. She asked if both had been addressed. Mr. Partridge said the State of Alaska notice had been covered but not the other.

Woodworth/Partridge moved/seconded:

To authorize the Corporate Secretary to prepare and distribute the Notice of Reorganization and state the election of officers was done this day, January 27, 2010, and must amend within 14 days of this meeting. Motion passed

**Discussion: Board Binder Materials**

President Cooper mentioned Sara Karnos, Administrative Assistant, has been very helpful with keeping the BOD binders current and available at all times. There now are binders available for the members that contain the meeting packet material, as well as the Board Bylaws, SLOA, Medical Staff Bylaws, and Medical Staff Rules and Regulations in the back of the binders for quick reference. Mr. Partridge mentioned he also includes the latest Action Plan Report in his binder and suggested this be included in the binders.

Ms. Wilson requested the Action Calendar be on next month's agenda again and suggested adding Medical Executive and QI meetings on the calendar. Ms. Wilson will talk with Ms. Karnos about a few changes she would like to see.

**Comments from the Audience**

- Christine Anderson mentioned the Patient Satisfaction Survey is in their meeting packets and said she is very proud of the staff at SPH. SPH is rated above all national and state standards. President Cooper asked that Ms. Anderson pass on kudos from the board to the staff and let them know they are very much appreciated for their great work.
- Sara Karnos welcomed the new officers and is looking forward to working with them.
- Matt Hambrick said he is glad to be on the BOD and is looking forward to working with the members.

**Comments from Chief Finance Officer**

Lori Meyer had no further comments.

**Comments from Chief Executive Officer**

Robert Letson had no further comments.

**Comments from Homer Secretarial Services**

Jan Hanenberger had no comments.

**Comments from the Service Area Board Representative**

Judith Lund mentioned two items:

1. The SAB voted down the proposed ordinance for the KPB Mayor to appoint members to the SAB when seats become vacant prior to their next election.
2. She will be having a teleconference meeting with the Mayor Carey on March 19<sup>th</sup> at 10:00 a.m. to discuss the budget. One of the items will be the MRI building.

### Comments from the Board

- Walter Partridge welcomed Mr. Hambrick, felt the packet was well done, felt they moved through a lot of items for an annual meeting in a short time, and quite a bit of the quality information provided in the packet is very good news and worth bragging about.
- Bernadette Wilson congratulated the new officers and welcomed Mr. Hambrick.
- Kent Haina welcomed Mr. Hambrick, congratulated the new officers, and passed on kudos to accounting staff that helped an individual arrange finances so they were able to have some necessary surgery.
- Julie Woodworth welcomed Mr. Hambrick, liked seeing in the report that the billing department has a method to help keep improving, was very impressed with the patient survey and the all of the reports on what the board has accomplished this past year. She suggested possibly having a separate meeting to address Committee Charters.
- Matt North thanked the new officers for taking on those responsibilities, welcomed Mr. Hambrick and felt the reports were great.
- Vickey Hodnik thanked those who accepted the officer positions, felt the survey and reports were excellent, thanked everyone for attending the meeting, and thanked Mr. Hambrick for accepting his position.
- Kelly Cooper thanked the officers for taking on extra work, looks forward to working with everyone, and thanked Mr. Letson and staff for all their hard work.

The regular meeting adjourned at 8:45 p.m. A break was taken before going into Executive Session.

### Executive Session

\*\*\*\*\*Into Executive Session – 8:50 p.m.\*\*\*\*\*

\*\*\*\*\*Out of Executive Session – 9:42 p.m.\*\*\*\*\*

### Actions Resulting from Executive Session

Woodworth/Partridge moved/seconded:

That Cheryl Toppa is appointed to the Allied Practitioner Staff of South Peninsula Hospital.  
Motion passed.

Woodworth/North moved/seconded:

That Dr. Jeffrey Bartley, Dr. Donald Endres, Dr. Adam Mason, and Dr. J. Wesley Turner are reappointed to the Courtesy Medical Staff of South Peninsula Hospital and that Mr. Larry Tripp be reappointed to the Allied Practitioner Staff of South Peninsula Hospital.  
Motion passed.

Woodworth/Partridge moved/seconded:

That Dr. Thomas Paul Mezzetti and Dr. Brian Plasil be approved for Locum Tenens Pathology privileges as requested.  
Motion passed.

**Adjournment**

Respectfully submitted,

Accepted:

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Janet E. Hanenberger  
Homer Secretarial Services  
Minutes Approved: \_\_\_\_\_

\_\_\_\_\_  
Kelly Cooper, President

\_\_\_\_\_  
Bernadette Wilson, Secretary