

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

SPH Conference Rooms

February 25, 2009

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 – 6:00 p.m.*******

*******Out of Executive Session – 6:50 p.m.*******

******* Regular Session – 7:06 p.m.*****.**

President Barbara Howard called the regular meeting to order at 7:06 p.m.

Present:	Kelly Cooper	Nina Allen
	Kent Haina	Walter Partridge
	Bernadette Wilson	Barbara Howard

Also Present: Bob Letson, CEO
MaLisa Mudgett, CFO
Dr. Martha Cotten, Chief of Staff
Derotha Ferraro, Marketing Coordinator/Grant Writer
Marilyn Shroyer, Home Health
Peggy Ellen Kleinleder, Home Health
Sara Karnos, Administrative Assistant
Marilyn Romans, Administrative Assistant
Jan Hanenberger, Homer Secretarial Services

A quorum was present.

Announcements, Welcome Guest & Public

President Howard welcomed guests.

Approval of Agenda

Cooper/Allen moved/seconded:

To approve the agenda.

Ms. Cooper requested moving Discussion on Content of Board of Directors Website Page from Unfinished Business to now be after Presentation: Review of Quarterly Report to the KPB Assembly.

With this amendment the motion carried with no objection.

Comments of Audience

- Peggy Ellen Kleinleder spoke in support of the Diabetes Education Program.
- Marilyn Shroyer also spoke in support of the Diabetes Education Program.

Approval of Consent Calendar

Mr. Partridge noted a typographical error in the action vote count on page three of the minutes of the special BOD meeting on February 11, 2009. It should read, *Action vote: 6 5 – yes, 0 – no.*

Ms. Wilson requested it be noted in this evening's minutes that Resolution 09-17, Land Acquisition, will not be enacted and the original document should contain this information. (The resolution was approved at the last BOD meeting and shown on page five of the January 28, 2009 minutes.)

Wilson/Allen moved/seconded:

To accept the consent calendar as amended. Motion passed.

Secretary Wilson then read the consent calendar into the record:

- A. Consideration to approve the minutes of January 28, 2009 regular Board of Directors meeting.
- B. Consideration to approve the minutes of February 6, 2009 special executive session meeting.
- C. Consideration to approve the minutes of February 11, 2009 special meeting.
- D. Consideration to approve addition of Telemedicine Medial Staff Category to the Medical Staff Bylaws.
- E. Consideration to approve Moderate Procedural Sedation Privilege Request form.
- F. Consideration to confirm committee appointments.

Presentation: Review of Quarterly Report to the Kenai Peninsula Borough Assembly scheduled for March 3, 2009.

CEO Letson and CFO Mudgett provided a presentation of the Quarterly Report to the board members which will be presented to the KPB Assembly on March 3. Dr. Cotten and members provided comments and suggestions.

Discussion on content of Board of Directors website page.

Mr. Haina provided a brief review of steps taken in working on the website page. Ms. Ferraro then provided a presentation of the draft design. Comments followed. Members were asked if they would prefer their individual background information to be included in resume or bio format on the board member page. It was decided to use a bio format, containing 75 words or less, which the members should submit to Mr. Haina. It was also decided to list the committee members on the committee page. Mr. Haina will provide recommendations for answering e-mails sent to the board.

Reports

SAB Representative

No report.

Chief of Staff – Dr. Martha Cotten

Dr. Cotten mentioned various healthcare specialty services the Medical Staff would like to see periodically throughout the year at SPH, which could be provided to the community and tie the services into their QI Program. Some services mentioned were hip and knee replacements and Pediatric ICU Support for referrals. She also mentioned they are addressing the dispensing of narcotics issue in Homer by working with local pharmacies.

Chief Executive Officer – Bob Letson

Other than his written report CEO Letson had nothing further to add at this time.

Members thanked Mr. Letson for including the listing of House Bill Updates in their packets.

Chief Financial Officer – MaLisa Mudgett

CFO Mudgett reported:

- AR days are going down and cash flow in February is doing well. Approximately \$3.5 million has been collected.
- An increase in expenses effected days of cash on hand. (CEO Letson then provided a review of the various line items and areas affected by the increase.)
- Work has been started on the Operating Budget. Information, similar to that provided for the Capital Budget showing links to the Strategic Plan, will be provided to the BOD showing justification for the expenses.

Committee Reports

- **Finance Committee:** Mr. Partridge reported the committee has reviewed the Financial Goals for FY10. Benchmarks will be set and CFO Mudgett will be subscribing to a benchmarking company to obtain information about other hospitals the size of SPH. Using this information will enable them to discuss more intelligent targets for the hospital. The committee recommends to the Board:
 1. For Administration to continue to track financial results established in Financial Policy F-10 and any results that are contained in the Strategic Plan.
 2. For Administration to report to the Board any financial data not meeting goals or showing negative trends for at least one quarter.
 3. For Administration to pursue benchmarking through a benchmarking company.
- **Strategic Planning:** Mr. Partridge mentioned on March 14 they will be having an informal discussion on the Strategic Plan with KPB Mayor Carey. Mayor Carey has offered his assistance in addressing any concerns the BOD may have. Talking points will be established with input from the members. The Strategic Plan will be submitted to Mayor Carey by March 3 as stipulated in the SLOA.
- **Education Committee:** Mr. Partridge reported the committee has not met but is scheduled to meet tomorrow evening.

Board President – Ms. Howard

President Howard had nothing to add to her written report in the Board packet.

Unfinished Business

a. Discussion on Content of Board of Directors Website Page

Previously covered.

b. Discussion and Consideration to Approve Diabetes Program and Adopt Resolution 09-19

CEO Letson reported after trying for various grants they have not been successful. He recommended passing Resolution 09-19 to formalize the program and obtain approval by the American Diabetes Association. After approximately \$10,000 to get started it should be a break-even program and be of great service to the community.

Cooper/Wilson moved/seconded:

To adopt Resolution 09-19 authorizing the implementation of the Diabetes Education Program.

Roll call vote was taken:

- Walt Partridge – yes
- Kelly Cooper – yes
- Nina Allen – yes
- Bernadette Wilson – yes
- Barbara Howard – yes
- Kent Haina – yes

Action vote: 6 – yes, 0 – no. Motion passed.

c. Consideration to Approve Request for Proposal (RFP) Investment Services

CFO Mudgett reported the Pension Committee met with the Finance Committee and reviewed the request for proposals submitted to the hospital. The recommendation is to select Wells Fargo Institutional Trust Services for the Investment Management Services for the Pension Plan.

Ms. Cooper abstained from participating due to being employed by Wells Fargo Insurance Services which is an affiliate of Wells Fargo Institutional Trust Services.

Partridge/Haina moved/seconded:

To approve Wells Fargo Institutional Trust Services to provide Investment Management Services for the hospital's Pension Plan.

Mr. Partridge mentioned both the Pension Committee and Finance Committee recommend the Wells Fargo company.

Motion passed with no objection.

Ms. Cooper requested the minutes reflect that she also abstained at the committee level.

New Business

a. Consideration for a Pension Plan Trustee Appointment and Adopting Resolution 09-20

CEO Letson mentioned the Pension Plan Committee is short one Trustee. The committee recommends adding Walt Partridge and removing Terry Thompson from the list of Pension Plan Trustees. Mr. Partridge mentioned it is the Finance Committee's opinion that a member of the Pension Fund Trustees should be the Treasurer of the BOD.

Partridge/Cooper moved/seconded:

To adopt Resolution 09-20 authorizing the appointment of Pension Plan Trustees.

Roll call vote was taken:

- Kelly Cooper – yes
- Nina Allen – yes
- Kent Haina – yes
- Walt Partridge – yes
- Bernadette Wilson – yes
- Barbara Howard – yes

Action vote: 6 – yes, 0 – no. Motion passed.

b. Consideration to Approve Administrator Attending Conference

CEO Letson reported in order for him to maintain his credentials in the American College of Healthcare Executives (ACHE), he must attend at least one ACHE sponsored meeting every two years, and he is due to attend in 2009. The cost of attending the meeting is covered under Administration Travel and Training budget. Seminar fees are the same in the various cities where offered and usually last two to three days.

Haina/Partridge moved/seconded:

To approve the continuing education travel and training for the CEO. Motion passed.

c. Discussion of Security Plan Update

CEO Letson reviewed steps being implemented and department policies approved. Drills are planned for the near future to test the departments and their response. CEO of Central Peninsula Hospital, Ryan Smith, will be at SPH in April to address department managers and Administration on things they have learned from their assessment and possibly could be used at SPH. Questions, answers and suggestions followed.

d. Consideration to Approve Bank Account Signer Resolution 09-21

Mr. Partridge reported this resolution is necessary to correct Board Resolution 08-03 which states First National Bank of Alaska is the holder of the LTC resident checking accounts. These accounts are held at Wells Fargo Bank. Finance Committee recommends approval to correct the name and allow funds to be signed out by the appropriate people.

Partridge/Allen moved/seconded:

To approve Resolution 09-21 updating the bank account signers.

Roll call vote was taken:

- Walt Partridge – yes
- Kelly Cooper – yes
- Nina Allen – yes
- Bernadette Wilson – yes
- Barbara Howard – yes
- Kent Haina – yes

Action vote: 6 – yes, 0 – no. Motion carried.

e. Consideration to Approve Merchant Resolution 09-22

Mr. Partridge reported the Finance Committee recommends approving this resolution and attachment, which is a form titled Certified Copy of Corporate Resolution Appointing Agent(s). The attachment is

required by First National Bank of Alaska to authorize SPH participation in their Merchant Program and authorizing agents for the program. President Howard suggested the attachment be labeled Attachment A.

Cooper/Haina moved/seconded:

To adopt Resolution 09-22 and Attachment A, a resolution of South Peninsula Hospital Board of Directors authorizing agents for First National Bank of Alaska Merchant Transactions.

Roll call vote was taken:

- Bernadette Wilson – yes
- Barbara Howard – yes
- Kelly Cooper – yes
- Kent Haina – yes
- Nina Allen – yes
- Walt Partridge – yes

Action vote: 6 – yes, 0 – no. Motion passed.

Discussion only: Strengths, Weaknesses, Opportunities and Threats for South Peninsula Hospital.

Mr. Haina was the facilitator for the discussion. He provided a brief introduction to the topic and referred to a copy of the last SWOT list done for SPH two years ago. Conversation included the history of the document, its value for solving current hospital issues, and suggestions for developing a new SWOT list which included holding an informal workshop. Mr. Haina will continue with plans and contact the members.

It was decided to continue these discussions keeping them in a 20-minute timeframe.

Comments from the Audience

- Sara Karnos felt they had a good meeting and the directors are great.

Comments from Chief of Staff

Dr. Cotten felt the board works very hard and they are one of the best boards she has seen in a long time.

Comments from Chief Finance Officer

Ms. Mudgett thanked the Board for all their support.

Comments from Chief Executive Officer

No further comments.

Comments from Homer Secretarial Services

No comments.

Comments from the Board

- Kent Haina liked the new seating layout of the room, liked seeing the line number included in the resolution showing the actual location in the budget where that item will be coming from, and appreciates all the hard of the staff.

- Bernadette Wilson liked the smaller board packet, liked the action agenda allowing room for notes, requested adding page numbers to the action agenda items showing their location in the packet, liked having the discussion time and thanked Mr. Haina for being the facilitator.
- Walt Partridge felt the meeting went well and liked that they had a chance to discuss future things, congratulated Sandy Jasken for being Employee of the Quarter, and thanked Lauren Painter for accepting the position as Education Coordinator.
- Nina Allen thanked her fellow Board members for stepping up to the plate when she couldn't be here, and liked the meeting process and agenda packet.
- Kelly Cooper thanked everyone for their hard work and likes to see that they are moving in a positive direction.
- Barbara Howard thanked the staff and everyone for all their hard work, and mentioned Ms. Cooper will be filling in for her while she is out of town for a few days.

Executive Session

There was nothing further to be addressed in another Executive Session.

Actions Resulting from Executive Session

Wilson/Partridge moved/seconded:

That Dr. Charles Calvin Hoo is appointed to the Telemedicine Staff of South Peninsula Hospital, that Cynthia M. Parent is appointed to the Category A Allied Staff of South Peninsula Hospital, that Dr. M. Todd Boling is appointed to the Active Medical Staff of South Peninsula Hospital, and that Dr. Thomas Wells remain a member of the Active Medical Staff.

Motion passed unanimously.

Adjournment

Allen/Haina moved/seconded:

To adjourn. Motion passed.

Meeting adjourned at 9:15 p.m.

Respectfully submitted,

Accepted:

Janet E. Hanenberger
Homer Secretarial Services
Minutes Approved: _____

Barbara Howard, President

Bernadette Wilson, Secretary