

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

SPH Conference Rooms

May 27, 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 – 5:00 p.m.*******

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

******* Regular Session – 7:02 p.m.*****.**

President Barbara Howard called the regular meeting to order at 7:02 p.m.

Present:	Kelly Cooper	Nina Allen
	Walter Partridge	Julie Woodworth
	Bernadette Wilson	Barbara Howard
	Matt North	Vickey Hodnik

Absent: Kent Haina

Also Present: Robert Letson, CEO
MaLisa Mudgett, CFO
Sara Karnos, Administrative Assistant
Marian Hemingway, OB Nurse Coordinator
Carrie Warren, Acute Care Manager
Jan Hanenberger, Homer Secretarial Services

A quorum was present.

Announcements, Welcome Guest & Public

President Howard welcomed everyone, mentioned there will be a seven minute break taken after New Business prior to the discussion section, and presented Nina Allen and Kelly Cooper with one year BOD service pins. Marian Hemingway, new OB Nurse Coordinator, and Carrie Warren, new Acute Care Manager introduced themselves.

Approval of Agenda

There were no changes to the agenda and President Howard declared it to be approved as presented.

Comments of Audience

No comments.

Approval of Consent Calendar

Board Secretary Wilson read the consent calendar items into the record:

- A. Consideration to Approve the Minutes of April 22, 2009 Regular Board of Directors Meeting
- B. Consideration to Approve the Minutes of April 29, 2009 Special Board of Directors Meeting
- C. Consideration to Approve Safety Plan
- D. Consideration to Approve Utilization Management Plan
- E. Consideration to Approve CEO Travel
- F. Ratification of Pension Plan Allocation Policy

Cooper/Woodworth moved/seconded:
To approve the Consent Calendar as read. Motion passed.

Reports:

A. Service Area Board Meeting Representative

Chair Judith Lund was unable to attend this evening's meeting.

B. Chief of Staff: Dr. Martha Cotten

Dr. Martha Cotten was also unable to attend this evening's meeting.

C. Chief Executive Officer

Other than his written report, CEO Letson mentioned the X-ray equipment will be installed at Homer Medical Clinic by the middle of June. The physicist will certify the unit on June 16 and the clinic will be ready for patients by June 20.

Board Member Cooper commended the hospital for their impressive Medicare survey. SPH was higher than the other Alaska hospitals as well as the lower 48 hospitals.

Mr. Letson mentioned it has been approximately 30 days since the Occupational Safety Hazard Association inspection was done and the report should arrive shortly. Response from the State of Alaska regarding the CON application should also arrive soon.

D. Chief Financial Officer

Other than her written report, CFO Mudgett mentioned receiving the new Medicaid rates for 2010 which will start July 1, 2009. Reimbursement for Inpatient will be an increase of approximately \$26,000, LTC will increase approximately \$42,000 per year, and Outpatient will remain neutral.

E. Board President

President Howard had nothing further to add to her written report.

F. Board Committees:

Finance

Mr. Partridge had nothing further to add to his written report. There were no questions.

Governance

President Howard mentioned a community member, Kate Lekites, is now on the committee.

Marketing/Website

Copies of sample ads were in the members' packets.

Education

Mr. Partridge had nothing further to add to his written report. There were no questions.

Strategic Plan

No report.

BOD Representative to SAB Meeting

No members were able to attend.

Unfinished Business

A. Consideration to Approve Hospital-Wide Policies HW-152, Records Management, Corporate; HW-171, Records Management, Medical, and HW-172, Litigation Hold

CEO Letson provided a staff report on the work done on this item. Comments followed with suggestions for changes.

Cooper/Allen moved/seconded:

To table the Records Management Policies indefinitely until Administration is ready to bring it back to the BOD. Motion passed.

Ms. Cooper also suggested Administration take advantage of the offered help from President Howard and the committee.

B. Consideration to Adopt Resolution 09-27, Extending the Current MRI Lease for Nine Months Beginning July 1, 2009

Mr. Partridge provided a committee report.

Partridge/Cooper moved/seconded:

To adopt Resolution 09-27, a resolution of the South Peninsula Hospital Board of Directors authorizing extension of the Magnetic Resonance Imaging equipment lease for nine months beginning July 1, 2009 in the amount of \$270,937.63.

The vote: Yes – Howard, Cooper, North, Wilson, Partridge, Woodworth, Allen, Hodnik

No – 0

Absent – Haina

Motion passed.

New Business

A. Consideration to Approve the Memorandum of Agreement Between South Peninsula Hospital and the State of Alaska Department of Health and Social Services for Provision of Short-term Psychiatric Hospitalization as a Designated Evaluation Facility

CEO Letson provided information and background. Ms. Allen provided clarification on patients that will be eligible. She also mentioned she did not declare a conflict of interest because reimburse from the State of Alaska for this care is to SPH and not her place of employment which is South Peninsula Behavioral Health Services.

Woodworth/Hodnik moved/seconded:

To approve the Memorandum of Agreement between South Peninsula Hospital and the State of Alaska Department of Health and Social Services for provision of short-term psychiatric hospitalization as a Designated Evaluation Facility. Motion passed.

B. Consideration to Adopt Resolution 09-28 Allocating \$20,760 to Fund Oxygen Generator Improvement with Funding to Come from Operations

Mr. Partridge provided background for Resolution 09-28.

Partridge/North moved/seconded:

To approve Resolution 09-28, for South Peninsula Hospital Board of Directors authorizing allocation of funds to improve oxygen generator system.

Comments followed with more history being provided.

The vote: Yes – Cooper, Allen, Partridge, Hodnik, Woodworth, Wilson, Howard, North

No – 0

Absent - Haina

Motion passed.

C. Consideration to Adopt Resolution 09-29, Authorizing Contract Extension for The Owens Group, LLC for Labor Negotiations

Mr. Partridge provided a report on behalf of the Finance Committee.

Partridge/Cooper moved/seconded:

To adopt Resolution 09-29, a resolution of the South Peninsula Hospital Board of Directors authorizing contract extension for the Owens Group, LLC for labor negotiations.

Ms. Wilson suggested the amount of \$75,000 be included in the motion. Ms. Cooper made a friendly amendment to include the amount and it would now read: A resolution of the South Peninsula Hospital Board of Directors authorizing contract extension in the amount of \$75,000 from the operating cash on hand to The Owens Group, LLC for labor negotiations. The maker of the motion agreed.

The vote: Yes – Howard, Cooper, North, Wilson, Partridge, Woodworth, Allen, Hodnik

No – 0

Absent – Haina

Motion passed.

D. Consideration to Approve 7-year Lease with Jonas Ridge, LLC for Community Health Services and Education Classroom

CEO Letson provided a report and recommendation regarding the lease.

Partridge/Allen moved/seconded:

To approve the 7-year lease with Jonas Ridge, LLC for Community Health Services and Education Classroom.

Ms. Cooper mentioned she has a potential conflict of interest and will abstain from participating. The seller and purchaser of the building are clients of hers. Motion passed with Ms. Cooper abstaining.

E. Consideration to Adopt Resolution 09-30 Approving SPH's Participation in the Alaska Small Hospital Performance Improvement Network's Limited Liability Corporation Agreement, and Committing \$4,000 from Operations to this Project

Mr. Partridge provided background on the participating hospitals' agreement for purposes of purchasing power.

Partridge/North moved/seconded:

To adopt Resolution 09-30, a resolution of South Peninsula Hospital Board of Directors authorizing participation in the Alaska Small Hospital Performance Improvement Network's Limited Liability Corporation agreement, and committing funds in the amount of \$4,000 from the Operating Budget.

Mr. Partridge suggested amending the resolution by removing the word "per" in the following sentence: *That, per the language of the agreement, funds in the amount of \$4,000 be allocated to this project from account 1120003, operating funds.* This will then give CEO Letson the power to negotiate the agreement. Mr. North agreed to the amendment. Amendment to the motion passed.

The vote: Yes – Partridge, Hodnik, North, Wilson, Allen, Howard, Woodworth

No – Cooper

Absent – Haina

Motion passed.

F. Review of June Assembly Presentation

CEO Letson and CFO Mudgett provided the presentation they will be presenting to the KPB Assembly on June 2. Main topic areas were:

1. Expansion Update
2. New Staff and Services
3. Hospital Happenings
4. Items on the Horizon for SPH
5. Third Quarter Financial Report

A break was taken at 8:14 p.m. with the meeting reconvening at 8:20 p.m.

Discussion Only: Strategic Action Plan and City of Homer Comprehensive Plan

Open discussion was held by the members.

Comments from Chief Finance Officer

CFO Mudgett had no further comments.

Comments from Chief Executive Officer

CEO Letson had no further comments.

Comments from Homer Secretarial Services

Ms. Hanenberger mentioned the SAB voted at their last meeting to not hold meetings during the months of June and July. Special meetings will be called if necessary.

Comments from the Board

- Julie Woodworth mentioned she may be arriving late to the budget meeting scheduled for tomorrow.
- Bernadette Wilson thanked Mr. Letson and Ms. Mudgett for the good presentation they prepared for the KPB Assembly, and mentioned she found the Homer Comprehensive Plan interesting and suggested keeping it to possibly be used as a reference.
- Nina Allen thanked the Finance Committee for all their hard work.
- Barbara Howard mentioned the budget meeting will start at 5:00 p.m. and adjourn at 6:50 p.m. Dinner was suggested to be at 4:30 p.m.

Actions Resulting from Executive Session

Wilson/Woodworth moved/seconded:

That Dr. Jaime Manuel Sheperd is appointed to the Telemedicine Staff of South Peninsula Hospital. Motion passed.

Wilson/Partridge moved/seconded:

That Dr. Lawrence Reynolds is appointed to the Honorary Medical Staff of South Peninsula Hospital. Motion passed.

Wilson/Woodworth moved/seconded:

That Dr. Lee Astle and Dr. Virginia Smith be approved for temporary privileges. Motion passed.

Wilson/Woodworth moved/seconded:

That Lisa N. Gray, Cardiologist, be granted an extension of appointment while she is completing her application for reappointment. Motion passed.

President Howard thanked the staff for the very good job done on the agenda packet, and thanked everyone for attending this evening.

Adjournment

Meeting adjourned at 8:53 p.m.

Respectfully submitted,

Accepted:

Janet E. Hanenberger
Homer Secretarial Services
Minutes Approved: _____

Barbara Howard, President

Bernadette Wilson, Secretary