

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

SPH Conference Rooms

December 16, 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 – 6:02 p.m.*******

*******Out of Executive Session – 7:00 p.m.*******

******* Regular Session – 7:07 p.m.*****.**

President Barbara Howard called the regular meeting to order at 7:07 p.m.

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

Excused: Nina Allen

Also Present: Robert Letson, CEO
Lori Meyer, Acting CFO, Controller/Materials Manager
Derotha Ferraro, Public Relations & Business Development Director
Sara Karnos, Administrative Assistant
Judith Lund, SAB Chair
Sharon Whytal, Community Needs Assessment Coordinator
Eric Campbell, Mikunda Cottrell Co., Inc.
Jan Hanenberger, Homer Secretarial Services

A quorum was present.

Announcements, Welcome Guests & Public

President Howard welcomed everyone. There were no announcements.

Approval of Agenda

Ms. Cooper moved to approve the agenda with the following changes under New Business:

- Pension Plan Restatement to be Item B
- Grant Fund Expenditure to be Item C
- PCA Program to be Item D
- Prior Item B, Consideration to Appoint Applicants to the Board of Directors, to now be Item E.

Ms. Woodworth seconded the motion. Motion passed.

Comments of Audience

No comments.

Approval of Consent Agenda

Partridge/Cooper moved/seconded:
To approve the Consent Calendar.

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

- A. Consideration to Approve the Minutes of November 18, 2009 Regular Board of Directors Meeting.

Motion passed.

Presentations:

A. Audited Financials – Eric Campbell of Mikunda Cottrell Co., Inc.

Mr. Campbell provided highlights of the audit done for SPH by Mikunda Cottrell & Co., Inc., a CPA firm in Anchorage. Questions, answers, and comments followed.

B. Community Needs Assessment – Sharon Whytal

Ms. Whytal provided a report on the draft information of the Community Needs Assessment. The project will be finalized soon. Comments, questions, and answers followed.

Reports:

A. Service Area Board Representative

Chair Judith Lund reported:

- Barbara McBride accepted Seat C on the SAB. Seat G still needs to be filled.
- SAB has discussed the Community Needs Assessment and is looking at ways to find funds to help with the project.
- Craig Chapman will be at the January 14 meeting to present predictions and expectations for the 2011 budget.

B. Chief Executive Officer

Other than his written report, CEO Letson mentioned the VA Clinic seems to be off to a very good start, and the Psychiatric Nurse Practitioner Clinic, held on Saturdays, had a positive start.

D. Chief Financial Officer

Lori Meyer provided a lay down report and had nothing further to add.

E. Board President

President Howard had nothing to report.

F. Board Committees:

Finance

Mr. Partridge reviewed highlights of his lay down report:

- Revenue was under budget and expenses were under but not enough to offset the revenue.
- Loss from Operations was budgeted for \$169,000 but was better at a loss of \$68,000.
- EBITDA was positive at \$109,000 for a total of \$710,000 year-to-date.
- Architect plans for the MRI building should be available in February with cost estimates expected in March or April. Current lease will need to be extended for another six months.
- Administration will provide pros and cons of having an interim CFO until the position is filled.
- Analysis has been done to see if the handling of the Sleep Lab meets Medicaid/Medicare requirements. Administration looked at recommendations and suggests that the Sleep Lab have a separate provider number, and SPH be listed as the owner and managing controller. After making this change it will require rebilling back to 2006. The SLOA requirements will be checked to see if the hospital is still in compliance if this change is implemented.

Governance

No report.

Membership

No report

Quality Improvement

Ms. Wilson reported a full day Quality Workshop was held with Darlene Bainbridge on November 21. Board of Directors, CEO, members of senior management and managers, and Medical Staff members participated. A wealth of information was provided and observations and suggestions for improvement of existing conditions were provided by those in attendance. Six priorities were developed for the upcoming year and Ms. Wilson requested Mr. Letson provide the board members with copies of the charts.

Marketing/Website

Ms. Ferraro had to leave earlier in the evening and Mr. Haina had nothing to add to her written report.

Construction.

Other than her written report Ms. Wilson mentioned touring the construction area and was very impressed.

Strategic Plan

No report.

Education

Mr. Partridge reported they had finalized the agenda with Belinda Breaux for the January Retreat. The committee has recommendations regarding the grant money which will be covered under New Business.

BOD Representative to SAB Meeting

No report.

Pension Plan

No report.

Unfinished Business

No unfinished business.

New Business

A. Consideration to Accept Audited Financial Report

Cooper/Woodworth moved/seconded:

To accept the Audited Financial Report for Fiscal Year 2009 as presented by Mikunda Cottrell & Co., Inc. Motion passed.

B. Consideration to Approve Amended and Restated Pension Plan

Mr. Partridge mentioned the selection of the vendor to provide this service was approved at the last meeting. The document has been received, is required by law that it be finalized by the end of the year, and adoption is recommended.

North/Woodworth moved/seconded:

To approve South Peninsula Hospital amended and restated Employees' Pension Plan and Trust effective January 1, 2010 as presented. Motion passed.

C. Consideration to Approve Resolution 10-17 Approval of Expenditure of Grant Funds

Mr. Partridge provided background regarding the Cardinal Health Foundation Challenge Grant administered by the Rural Health Association. Remaining funds must be used by January 1, 2010. Committee is recommending funds be used for:

- DVD series done by James Orlikoff and James Reinertsen on quality and patient safety.
- Book for each of the members by the American Hospital Association titled *Getting the Board on Board: What Your Board Needs to Know About Quality and Patient Safety*.
- Items for the QI Department's library.

Committee recommends adoption.

Partridge/Cooper moved/seconded:

To adopt Resolution 10-17, a resolution of the Board of Directors approving expenditure of grant funds.

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

Motion passed.

D. Consideration to Approve Resolution 10-18 Approving the Transfer of Current Personal Care Attendant Clients to Other Agencies

CEO Letson provided information regarding the PCA Program. Since there are six agencies in the area to provide this care, and SPH has only four clients at this time, it is recommended this program be discontinued. Patients would select their agency and Community Health staff would assist with their transition. This change would be compliant with the SLOA and the Strategic Plan. If the resolution passes this evening it will then go before the SAB and to the KPB.

Woodworth/Hodnik moved/seconded:

To pass and adopt Resolution 10-18 approving the transfer of South Peninsula Hospital Personal Care Attendant clients to other agencies; and forwarding the resolution to the South Kenai Peninsula Hospital Service Area Board requesting approval and recommendation to the Kenai Peninsula Borough Assemble.

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

Motion passed.

E. Consideration to Appoint Applicants to the Board of Directors

Ms. Woodworth reported the Membership Committee's recommendation is to vote on three candidates. It will be done individually and by secret ballot.

First candidate: Margaret Coleman with a term from January 1, 2010 until December 31, 2012. Unanimous vote and Ms. Coleman was appointed to the board.

Second candidate: Kelly Cooper with a term from January 1, 2010 until December 31, 2012. Unanimous vote and Ms. Cooper was appointed to the board.

Third candidate: Vickey Hodnik with a term from January 1, 2010 until December 31, 2012. Unanimous vote and Ms. Hodnik was appointed to the board.

Discussion: None

Comments from the Audience

None

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 wished everyone a wonderful Christmas and New Year.

Comments from the Service Area Board Representative

Judith Lund wished everyone a Merry Christmas and Happy New Year.

Comments from the Board

- Vickey Hodnik wished everyone Merry Christmas and Happy New Year. She wished SPH would have gotten some of the \$2.2 million SVT received.
- Matt North wished everyone has a great holiday and to travel safe.
- Julie Woodworth gave kudos to Ms. Meyer and her team for the great audit and thanked Marketing for the great PR done for the VA Clinic. She mentioned that on the Community Health Needs Assessment drug prevention and substance abuse were a reoccurring topic. There is a new prevention and education program available and there will be some local training for teens. She thanked Ms. Karnos for all her help, and thanked Ms. Howard for her service on the board and to the community.
- Kent Haina wished everyone a Merry Christmas, congratulated the newly elected board members, and shared Ms. Woodworth's thoughts about Ms. Howard.
- Bernadette Wilson thanked Ms. Howard for all her years of service on the BOD, as well as to the SAB and the hospital Foundation, and wished Happy Holidays to everyone.
- Walter Partridge congratulated Ms. Howard on her last meeting and wished her the best of luck. He mentioned he was very impressed with the Marketing Plan and wished everyone a Merry Christmas and Happy New Year.
- Kelly Cooper thanked Ms. Meyer and her team for the hard work, and thanked Mr. Letson and Sara for all their hard work. She then thanked Ms. Howard for her service to the hospital and on behalf of the BOD presented her with a plaque for her service.
- Barbara Howard thanked everyone for the plaque and kind words. She mentioned how proud she was of the audit, the Quarterly Report given by Mr. Letson to the KPB, the Imaging Report, the Lab inspection, all pointing to the excellent work done by everyone. She wished Mr. Letson well on his vacation, thanked Ms. Karnos for all her help, and wished Happy Holidays to everyone.

Executive Session

Nothing further.

Actions Resulting from Executive Session

Wilson/Cooper moved/seconded:

That Dr. Roy Boone is reappointed to the Consulting Medical Staff of South Peninsula Hospital. Motion passed.

Wilson/Hodnik moved/seconded:

That Dr. Peter Areson be approved for Locum Tenens General Surgery Privileges as requested. Motion passed.

Ms. Howard said it was a pleasure to be the President of the BOD this year, thanked Ms. Cooper for her help as Vice President, and hoped all the members would continue to work together as smoothly as they did through the year. Due to medical travel reasons, she then asked for the Presidency to be turned over to the Vice President.

Adjournment

Meeting adjourned at 8:35 p.m.

Respectfully submitted,

Accepted:

Janet E. Hanenberger
Homer Secretarial Services
Minutes Approved: _____

Kelly Cooper, Vice President

Bernadette Wilson, Secretary