

**BEAUFORT MEMORIAL HOSPITAL BOARD OF TRUSTEES
BOARD MEETING – OPEN SESSION**

MINUTES – April 27, 2011

BOARD MEMBERS PRESENT: Jerry Schulze (Chair), Terry Murray (Vice Chair), David Tedder (Secretary/Treasurer), Bill Paddock, Steve Kessel, M.D., Susan Williams, James Simmons, M.D., Pat Thompson, M.D.

OTHERS PRESENT: Rick Toomey, Karen Carroll, Pat Foulger, David Homyk, Ed Ricks, Alice Moss, Sam Derrick, Nora Kresch, Paul Mazzeo, M.D., Bill Nettles, Bill McBride (Beaufort County Council Member), Ann Mecherle, Diane Wadas, Dawn Crawford, David Black (Howell, Gibson & Hughes), Brad Collins, M.D., Sallie Stone, Michael Mathews

ABSENT: Jeff White, Andrea Allen, Paul Sommerville (Beaufort County Council Member)

CALL TO ORDER: Mr. Schulze called the meeting to order at 7:30 a.m., and stated that the Press had been notified. A motion was made by Mrs. Murray to go into Closed Executive Session at 7:31 a.m. with Mr. Toomey and the nine Board members. The motion was seconded by Mr. Tedder, and unanimously approved. The meeting re-convened to Open Session at 8:20 a.m.

THE BLOOD ALLIANCE – Dr. Brad Collins told Board members how much he and the community appreciate the support the Board and Administration have given to The Blood Alliance (TBA) since we started working with them in 2002. He introduced Michael Matthews, TBA Regional Manager, and Sallie Stone, BMH Donor Resources Consultant, pointing out that they are largely responsible for the success of the program to date. He handed out a chart that showed the level of community support, which seemed to wane at about 55% until Michael and Sallie came on board. Because of their hard work, the addition of the TBA Donor Collection site and the implementation of the Blood Conservation Program, we have been collecting over 100% of what we need at BMH for over two years. He reminded Board members that the new Donor Collection site is on the corner of Boundary and Charles streets, and invited them to visit.

Bill Paddock, Board member, asked Dr. Collins what all of this has meant to improving the quality of care we give our patients. Dr. Collins explained that it has been a tremendous improvement from the standpoint of availability of blood products and the appropriate use of blood products, based on the latest “best practices” treatment advice. He pointed out our continuing challenge will be to keep donors coming to drives and the Donor Center to make sure we always have enough blood for people in our community.

The Board complimented them all for the work they have done, and thanked them for the update.

MOTION: A motion was made by Dr. Thompson to go into Executive Session at 8:25 a.m. to discuss Quality Improvement, Medical Staff Credentialing, Strategic Planning, Contractual Arrangements, Legal and Personnel Matters. The motion was seconded by Mr. Paddock, and unanimously approved. The meeting re-convened to Open Session at 9:01 a.m.

INTRODUCTION: Mr. Schulze welcomed Bill McBride, Council Members from Beaufort County and David Black, attorney from Howell, Gibson & Hughes.

INVOCATION: Dr. Kessel gave the Invocation.

APPROVAL OF MINUTES – March 30, 2011: Mrs. Williams made a motion, which was seconded by Mr. Paddock, to approve the minutes of the March 30, 2011 meeting with noted correction on page 3. Unanimous approval.

PHYSICIAN VIDEO – Mrs. Carroll introduced Chris Watson, HR Manager. She said Mrs. Watson spearheads the Nursing Recruitment Council. Mrs. Watson said that the NDQI survey last fall showed some challenges with collaboration between physicians and nurses, so they took this on as a project to improve communication, which leads to better patient outcomes. They asked physicians to answer 3 questions, which resulted in the video. She said the goal of this video is to share it with every nurse and it will be shown during every Nurse Orientation. She also stated that they would be sharing this video with TCL and USCB's nursing classes. Student nurses do not have the experience of calling physicians until they actually join the nursing workforce. This can be a very intimidating process for an inexperienced nurse. The goal with this video is to prepare them for this task and help them with nurse/physician communication.

COMMITTEE REPORTS

Finance Committee – Dashboard (pg. 6): Mrs. Murray reported that this is the first finance report the Board has received since the Meditech upgrade. She reviewed the financial dashboard, pointing out that our Bad Debt continues to rise. Also, because of the conversion, our A/R days also rose. Kristine Richardson, BMH Controller, who reported in Jeff White's absence, said that was largely due to our planned inability to send out bills for the first three weeks of the conversion. Another anomaly was the inability to capture outpatient visits on recurring patients. She also noted that there was an apparent \$4M increase in self-pay accounts, which is being looked into and should be corrected by next month. She pointed out that over time, the conversion will give much better information.

Our turnover percentage for employees leaving within the first year of employment at BMH also rose to 25.7%; our annual goal is 22.5%.

Income Statement (pg. 8): Mrs. Murray stated that for the month of March, our total patient revenues exceeded our expenses by \$799,684. Year-to-date, our operating income is \$5,915,990. Six months into our fiscal year, our operating margin is 3.93%; our annual goal is 2.25%.

Ms. Murray reported the Audit Committee met following the Finance Committee, and discussed the work plan for the internal audit, which will be presented in July. She said they also discussed a suggestion made by Bill Robinson that based on his experience the Audit Committee should be able to report back directly to the Board Chairman if there is a material issue. *She said they will bring forward an amendment to this resolution chartering the Audit Committee with this change at the next Board meeting.* Mr. Schulze thanked Kristine for her hard work on the conversion. The financial report was unanimously approved.

Quality Improvement Committee: Mr. Schulze stated that 3 policies were tabled during the Executive Session; however, the following policies were presented for approval:

- Identification of Patients (EC 09.08)
- Patient Satisfaction Survey (PI 01.01)
- Cleaning of Non-Disposable Equipment and Fixed Surface Areas (IPC 06.12)

Mrs. Williams made a motion, which was seconded by Mrs. Murray, to approve the aforementioned reports and policies as discussed in Executive Session. Unanimous approval.

Mr. Tedder made a motion, which was seconded by Dr. Thompson, to approve the Environment of Care report. Unanimous approval.

Compliance Report: Mrs. Williams reviewed the February 28th Compliance Committee minutes. She stated that the PEPPER reports indicate that there are opportunities for BMH to educate physicians regarding documentation that would support the billing and coding of a higher DRG. She noted that in the Hotline report that there was one alleged HIPAA violation, but after investigation the volunteer was permitted to divulge patient discharge date to caller. She said that the Medicaid Recovery Audit Contractor, Health Management Systems (HMS) has been conducting off site audits and that \$17,500 has been recouped for year 2006 claims. Mrs. Wadas indicated that there has been a decrease in the number of RAC audits for Medicare; however, the RAC's new focus is on medical necessity and one-day inpatient claims. Mrs. Wadas said that the risk assessment audit will begin on May 9th at BMH. *Mrs. Williams said they are awaiting legal advice from Don Meyer regarding the Medical Staff and whether or not they should sign Conflict of Interest statements. Mr. Toomey said he would follow up with Mr. Meyer today.* The report was approved as presented.

Governance Committee: Dr. Thompson said they did not meet this month; however, they will meet in May and report back.

Community Outreach and Wellness Committee: Dr. Kessel reported we are part of the SC Hospital Association's Working Well Program, modeled after a successful program in North Carolina hospitals. As a result, we have access to tremendous resources that have been shown to be effective in cutting employee health insurance and illness costs in the areas of fitness, nutrition and tobacco use. Sodexo is also working on nutrition education in our cafeteria. Over 20 employees are participating in a fresh produce program with Rest Park Farms through LifeFit, and recipes for the produce are being sent out by Dietary. We continue to work on the walking trail and the Access Health program. He reminded people about the Cycling Classic, which is coming up next Tuesday, May 3; also, Cycling Sunday for kids will be held on Sunday, May 1. The Community Outreach and Wellness report was unanimously approved.

MEDICAL STAFF – Credentials: As presented by Dr. Mazzeo in the Executive Session, the following practitioner was presented for appointment: William Starsiak, MD, Provisional Active to Active Staff (Dept. of Surgery – Oral/Maxillofacial).

The following practitioner was submitted for reappointment: Clarice Nichole Wardlaw, C-NM (Allied Health – Certified Nurse Midwife).

The following practitioners were submitted for honorary review: John Gray, MD (Family Practice); David Hammock, MD (OB/Gyn); Hector Esquivel, MD (Dept. of Surgery).

Six month quality review: Sarah Moore, PA, Allied Health (BJHCH – sponsored by Dr. Dawson); Kevin Kearney, MD, Provisional Active (Gastroenterology); Candice Clocker, MD, Provisional Associate (Pediatrics).

One year review/change of status: Anthony Zamcho, MD, Provisional Active to Active Staff (Dept. of Medicine – Hospitalist).

Mr. Tedder made a motion, which was seconded by Mr. Paddock, to accept the Credentials Committees and MEC recommendations. Unanimous approval.

STAFF REPORTS: Support Services, Human Resources, Information Systems, Patient Care Services, Public Relations, and Quality Services: Mrs. Carroll read a letter from the Commission on Cancer, the accrediting division of the American College of Surgeons, granting our cancer program the Outstanding Achievement Award. Our program was one of 90 surveyed nationwide in 2010 to receive this distinction, and one of 13 new programs to do so. Everyone related to our oncology program was commended for their work.

Mrs. Carroll responded to a question about certifications for nurses. BMH currently has 33 nurses that are certified in their specialty. Our goal is to increase the number of nurses with national certification, and we are currently working on strategies to accomplish this. In regards to baccalaureate nurses, we currently have 42% of our bedside nurses with BSNs. The state average is 27%. Our goal is to have 80% of our nurses with a BSN or higher degree by 2020. Mr. Paddock also inquired about the relationship between TCL and USCB and how that impacts BMH. Mrs. Carroll stated that TCL nursing graduates will be encouraged to continue their education to achieve BSN designation over time. She said our goal is to have more BSN nurses on staff. Mrs. Williams also stated that USCB has an agreement with TCL that the nursing students can get their prerequisites at TCL and then transfer to USCB to complete their BSN degree. Mr. Paddock made a motion, which was seconded by Mr. Tedder, to approve the staff reports. Unanimous approval.

BMH FOUNDATION: Mr. Nettles reported that Honor a Caregiver will be held on June 23. He said the Celebration of Giving event was great with over 100 in attendance. He said the Foundation presented BMH a check in the amount of \$337,246. He also noted that this year, our Duke Symphony Orchestra concert brought in over \$24,000 to the Keyserling Cancer Center. He said that this has become a great community event that people look forward to year-after-year. He also asked everyone to read the Trustee Talking Points for Major Gifts Initiative, which gives tips on how to approach potential major gift prospects.

MANAGEMENT REPORT – Mr. Toomey reported the CON for the ER expansion has been deemed complete by the State. The site plan was approved by the City. Plans are being submitted for code review, and final construction costs are being prepared by the contractor.

Dr. Deanna Mansker, a general surgeon completing her training at MUSC, has signed a contract to join Beaufort Memorial Surgical Specialists in July. Her expected start date is July 11.

Mr. Toomey said the construction on the Women's Imaging Center continues with a target completion date of early July.

Dawn Crawford is attending a training course in May to develop a Board portal to post monthly Board packets; this will eliminate paper and delivery costs. Dr. Thompson will be the liaison for this project.

Mr. Toomey handed out to the Board members a six-month status report on our progress with the Gainsharing and Corporate Goals for FY2011. He said we are doing well with some, and explained some of the challenges we face with others.

CHAIR ANNOUNCEMENTS: Mr. Schulze encouraged everyone to return the board retreat questionnaire to Mrs. Mecherle. He also noted that she would resend if needed.

ADJOURN: The meeting adjourned at 10:15 a.m.

Respectfully submitted,

David Tedder
Secretary/Treasurer