

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

MINUTES – May 25, 2011

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

OTHERS PRESENT: Rick Toomey, Jeff White, Karen Carroll, Pat Foulger, David Homyk, Ed Ricks, Alice Moss, Sam Derrick, Paul Mazzeo, M.D., Bill Nettles, Bill McBride (Beaufort County Council Member), Ann Mecherle, Diane Wadas, Dawn Crawford, David Black (Howell, Gibson & Hughes), Courtney McDermott, Marylee Riggio, Heather Mizelle, Nino DiMatteo & Shane Brenner (Intuitive Surgical)

ABSENT: Nora Kresch, 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.

INTRODUCTION: Mr. Schulze welcomed Nino DiMatteo and Shane Brenner representatives from Intuitive Surgical.

DA VINCI SURGERY PROGRAM PRESENTATION: Nino DiMatteo and Shane Brenner, representatives from Intuitive Surgical – makers of the da Vinci robotic surgery system, presented information about the da Vinci SI™ system. The SI is the third generation system. In addition to offering better instrumentation, navigation and shorter surgery times, the SI system can be utilized by multiple specialties, including urology and general surgery. The current system, the first generation “standard” robot, is being phased out by Intuitive and will no longer be supported as of 2013. The system was introduced in 1999; BMH has had it in place since June 2009. BMH currently has seven physicians trained and using the da Vinci system for gynecologic surgeries. Mrs. Murray said should we decide to purchase this new system; we would need a very aggressive marketing strategy. Mr. Tedder stated it would be prudent to review the financing terms and service agreement.

MOTION: A motion was made by Mr. Tedder to go into Executive Session at 8:48 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 10:28 a.m.

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

INVOCATION: David Tedder gave the Invocation.

APPROVAL OF MINUTES – April 27, 2011: Mrs. Williams made a motion, which was seconded by Mrs. Allen, to approve the minutes of the April 27, 2011 meeting with noted corrections on page 3. Unanimous approval.

COMMITTEE REPORTS

Finance Committee – Dashboard (pg. 7): Mr. Schulze reported in Mrs. Murray's absence. He reported that both bad debt as a percentage of net and gross revenues continues to rise due to the number of uninsured and underinsured patients (*currently 55% YTD over budget*). Days in accounts receivable have crept up primarily due to the Meditech 6.0 upgrade. He also reported that staff turnover was higher than expected through the first six months of the fiscal year. Mr. Homyk stated that nursing turnover is improving at 17%; however, non-clinical turnover remains high at nearly 30% and that of the non-clinical more than 50% was due to relocations.

Income Statement (pg. 9): Mr. Schulze reported that inpatient revenue continues to be below budget in April; however, the outpatient revenue is above budget. He noted that YTD, we are below budget in inpatient revenue by \$14M and over budget in outpatient revenue by \$11M. He stated that for the month of April, our total patient revenues exceeded our expenses by \$1,059,612. Year-to-date, our operating income is \$6,975,602. Our operating margin is 5.19% and YTD at 4.42%. He said overall we had a good month. The financial report was unanimously approved.

Resolution of Audit Committee (pg. 14): Mr. Schulze reviewed the resolution which was amended to show that this subcommittee of the Board may report any material findings directly to the Board Chair. Mrs. Williams made a motion, which was seconded by Mrs. Allen, to approve the amended resolution. Unanimous approval.

Contract with Dr. Chahin: Mr. Toomey stated that the Finance committee also reviewed the revised support services contract with Dr. Chahin for infusion services. He said we have had a contract with Dr. Chahin for 5 years to provide infusion services for patients from the hospital along with other services. He noted that the contract was revised with a one year term with an automatic rollover unless a 60 day notice was given by either party.

Quality Improvement Committee: Dr. Simmons presented the following reports and policies:

- Medical Staff PI Report
- Customer Satisfaction Report
- Advance Directives Policy
- Sentinel Event Policy
- Operative Report Timeliness Policy
- Medical Staff Confidentiality Policy (*with changes as discussed*)
- Teleradiology Policy
- Credentialing Practitioners in the Event of a Disaster Policy

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

Governance Committee: Mrs. Mecherle reported that the committee met last week and that they reviewed the board term list. She said that Mr. Paddock's term will expire next February 2012 and Mr. Tedder will be eligible to be reappointed at the same time. She said the committee reviewed the County's applicant list and said they could use some input as to prospective board

applicants. She also noted that Dr. Thompson will hold a meet and greet session in August for potential applicants. Mr. Schulze noted that we will need to submit 2 applicants for Mr. Paddock's position to the County.

Community Outreach and Wellness Committee: Dr. Kessel reported that SCHA Working Well Program's coordinator, Jen Wright, will be on site for their next committee meeting on June 9th. He said the walking trails are still in progress and stated that Mr. Senn met with the architect, Mike Small, and should give us a plan by end of the week. He noted that today they had several representatives at the Sun City Health Fair. He said last week they held a southeast division meeting here at BMH and both Mark Senn and David Homyk made presentations to the 100 members in attendance. Mr. Homyk stated that they were so impressed with Mr. Senn that spoke about the Disease Management Program and they want him to come back and speak at a national conference.

He also reported that members of Access Health South Carolina were onsite this month to interview members of the senior management team to understand how the hospital supports and provides access to care for the uninsured. The Community Outreach and Wellness report was unanimously approved.

Strategic Planning Committee: Mr. Paddock reminded everyone of the next meeting to be held on Wednesday, June 15th. He said the discussion would be centered around physician practices and the sequence for recruitment.

MEDICAL STAFF – Credentials: Dr. Kessel presented the Credentials and MEC reports on behalf of Dr. Mazzeo, who was called out of the meeting. He presented the following practitioner for expiration of privileges: Carol Moore, MD, Active (OB/Gyn) – privileges expire due to no response.

The following practitioners were submitted for reappointment: John Crisologo, MD, Active (Gastroenterology); John Fontana, MD, Active (OB/Gyn); Patricia Thompson, MD, Active (OB/Gyn); Glenn Werner, MD, Active (OB/Gyn); Claude Tolbert, MD, Active (OB/Gyn); John Biggers, MD, Active (Internal Medicine – Hospitalist); Randal Royal, MD, Active (OB/Gyn); G. Heath Simmons, MD, Active (Anesthesia); Stephen Luther, MD, Community Active (Internal Medicine); Karen Keane, DO, Active (Pediatrics); Timothy Keane, MD, Active (Pediatrics); Lucius Laffitte, MD, Community Active (Family Practice); William Martin, MD, Active (Pediatrics); Francis Rushton, MD, Active (Pediatrics); JoAnn Csakany, MD, Active (OB/Gyn); Ardra Davis-Tolbert, MD, Active (OB/Gyn); Jeffrey Faust, MD, Active (Pediatrics); Joseph Floyd, MD, Active (Pediatrics); Lawrence Coleman, MD, Active (Pediatrics).

Six month quality review: Marshall "Shannon" Shook, MD, Provisional Active (Cardiology); Elizabeth Copelan, PAC, Allied Health Services (Internal Medicine – sponsored by BJHCH)

One year review/change of status: Jason Wright, PAC, Allied Health Services (Internal Medicine – sponsored by Beaufort Primary Care).

Mr. Tedder made a motion, which was seconded by Mrs. Williams, to accept the Credentials Committees and MEC recommendations. Dr. Thompson recused herself, since she was on the list requesting reappointment. Unanimous approval.

STAFF REPORTS: Support Services, Human Resources, Information Systems, Patient Care Services, Public Relations, and Quality Services: Mr. Paddock questioned if we were adding another breast care coordinator. Mrs. Foulger reported that the hospital will be adding a second breast care coordinator to provide onsite availability in the new Women's Imaging Center, and to assist current coordinator Ronda O'Connell who, in addition to pursuing her Nurse Practitioner (APRN) degree, is frequently consulting with patients and physicians at the surgeons' office and cancer center. Mr. Schulze asked about the Beaufort Cycling Classic to which Mr. Toomey said it was one of the largest crowds yet and that the cyclists continue to rave about the site.

Mr. Paddock made a motion, which was seconded by Mr. Tedder, to approve the staff reports. Unanimous approval.

BMH FOUNDATION: Mr. Nettles reported that the number of donors to the Foundation YTD has grown to 1,872 versus 1,258 for the same period last year. He also noted that Ron Rossetti has agreed to serve on the Foundation's Investment Committee, filling, along with Tom Oliver, the two community slots on that committee.

MANAGEMENT REPORT – *Support Office Building:* Mr. Toomey reported the hospital recently met with city planners to discuss site plans for a new support office building to house the 114 employees who currently occupy the suites, as well as other locations, such as the HR/Education and the Collins buildings. The suites will be razed to make way for additional surface parking. The new building will be located across the street from the Beaufort Medical Plaza. He said the building will be between 40K-80K square feet. He also reported that negotiations for the purchase of property in Bluffton to house a larger, freestanding outpatient facility are pending while the hospital works to obtain the proper permits for the development.

Board Governance Portal: Mr. Toomey said that Ms. Crawford has attended Board Portal training at the Governance Institute this month. He said we will be following the steps of the County by putting all of our Board reports on this portal. Mr. Toomey asked Mr. Tedder to read a motion which protects not only the Board, but also provides our Board members with iPads (*see attached*). Mr. Tedder made a motion, which was seconded by Mr. Paddock, to approve this motion. Unanimous approval.

Mr. Paddock made a motion, which was seconded by Mrs. Williams, to adopt the naming options as presented in Executive Session. Unanimous approval.

CHAIR ANNOUNCEMENTS: Mr. Schulze noted the upcoming Leadership Retreat to be held at Dataw Island Club on June 3rd and if interested in attending to contact Ms. Crawford.

ADJOURN: The meeting adjourned at 10:58 a.m.

Respectfully submitted,

David Tedder
Secretary/Treasurer