

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

**MINUTES – November 30, 2011**

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

**OTHERS PRESENT:** Rick Toomey, Jeff White, Karen Carroll, Pat Foulger, David Homyk, Sam Derrick, Nora Kresch, Diane Wadas, Alice Moss, Chad Tober, M.D., Bill Nettles, Ann Mecherle, Bill McBride (Beaufort County Council Member), Paul Sommerville (Beaufort County Council Member), David Black (Howell, Gibson & Hughes), & Dawn Crawford

**ABSENT:** James Simmons, M.D. & Ed Ricks

**MOTION:** 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 Mr. Tedder 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. Paddock, and unanimously approved. The meeting re-convened to Open Session at 9:37 a.m.

**INVOCATION:** Mr. Tedder gave the Invocation.

**APPROVAL OF MINUTES – October 26, 2011:** Mrs. Murray made a motion, which was seconded by Mrs. Allen, to approve the minutes of the October 26, 2011 meeting with noted correction on page 3. Unanimous approval.

**COMMITTEE REPORTS**

**Governance Committee:** Dr. Thompson reviewed the 2 candidates, Van Irwin and David House, who will be submitted to County Council for consideration to replace Bill Paddock, when he rotates off the Board in February 2012. She said in considering replacement candidates, the committee is hoping to find someone with similar marketing and strategic business skills to those of Mr. Paddock. Mr. Tedder made a motion, which was seconded by Mrs. Allen, to approve the candidates for submission to County Council as presented. Unanimous approval.

Dr. Thompson asked that all Conflict of Interest forms be completed and returned to Mrs. Mecherle. She noted that the December meeting is cancelled.

**STEMI PROPOSAL:** Mr. Tedder made a motion, which was seconded by Mrs. Allen, to approve submitting the Stemi CON application as discussed in Executive Session. Unanimous approval.

**DA VINCI UPGRADE:** Mr. Tedder made a motion, which was seconded by Mrs. Murray, to approve the recommendation from Administration to purchase the Si model and file the letter of exemption with DHEC as discussed in Executive Session. Unanimous approval.

**MEDICAL STAFF – Credentials:** Dr. Tober presented the following practitioners for new appointment: Jared Browning, MD, Provisional Consulting (VRC-Radiology); Martha Maier,

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MD, Provisional Consulting (VRC-Radiology); Diane Conley, MD, Provisional Consulting (VRC-Radiology); Vito Basile, MD, Provisional Consulting (VRC-Radiology).

Requesting reappointment: Carol Coolidge, MD, Active (Plastic Surgery); Glenn Gwozdz, MD, Consulting to Active (Gastroenterology); William Newberry, MD, Active (Oncology); Charles Shissias, MD, Active (Neurology); Kevin McDonnell, MD, Consulting (VRC-Radiology); Katy Jones, FNP, Allied Health (Oncology).

One year review or change of status: Irina Borissova, MD, Active to Community Active (Internal Medicine); Kurt Gambla, DO, Active to Community Active (Internal Medicine); Andrea Hucks, MD, Active to Community Active (Internal Medicine); Dan Ripley, MD, Active to Community Active (Family Practice); Steven Kessel, MD, Active to Community Active (Internal Medicine); Heather Hutchings, DO, Active to Community Active (Family Practice); Jonathon Hutchings, DO, Active to Community Active (Family Practice); Robert Lisle, MD, Active to Community Active (Family Practice); Stephen Luther, MD, Active to Community Active (Internal Medicine); David Vormohr, MD, Active to Community Active (Family Practice); Elizabeth Copelan, PA-C, Allied Health Professional (Emergency Medicine); Shannon Shook, MD, Provisional Active (Cardiology).

Relinquishment of Privileges: Ifeanyi Momodu, MD, Active (Hospitalist).

Mr. Tedder made a motion, which was seconded by Mrs. Allen, to accept the Credentials Committees and MEC recommendations. Dr. Kessel recused himself from this motion. Unanimous approval.

**Finance Committee – Bond Update:** Mrs. Murray shared that we are closing on our new bond issue tomorrow. The interest rate will be 1.96% on the refinancing portion (Series 2011A) and matures in 2017. The interest rate on the new money Series 2011B is a 10 year fixed rate of 3.03%. The Series 2011B will have a 10 year put. She congratulated the staff on negotiating a fine deal; the rates are lower than expected. She reviewed the key financial covenants (pg. 24), which is the umbrella of rules regarding our new debt. She said we will be using TD Bank to finance the bonds.

Mr. Paddock made a motion, which was seconded by Mrs. Williams, to approve the resolution for the line of credit (pg. 25). Unanimous approval.

**Dashboard (pg. 4):** Mrs. Murray reviewed the 2 new ratios – Debt to Capitalization and Debt Service Coverage, which are now required in our new bond covenants and will be monitored monthly. She said we had low activity during the month of October with an average daily census of 107, which resulted in a negative operating margin of -1.84% with a loss of \$17K for the month. Cash flow margin is positive, even though it is below budget. Days in accounts receivable are better, but still below budget at 55.24 (budget of 52). Turnover rate is over budget at 29.09 compared to a goal of 22%. Mr. Homyk said during the past 3 years we are making progress, but it's coming down slowly.

**Audit Committee:** Mrs. Murray said the Audit Committee of the Board met and reviewed a risk assessment prepared by Dixon Hughes Goodman, and an internal staff report on the subject. She said the decision was to review physician billing, which is ranked as both high impact and low control. She stated that Mr. Derrick has contacted an outside firm to audit the physician billing, so we agreed to include the outside consultant's report in the January report to the Board and then determine what other area we might review at that time. The financial report was unanimously approved.

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**Quality Improvement Committee:** Mrs. Foulger presented the following reports in Dr. Simmons absence:

- Customer Satisfaction Report
- Report on Patient Flow

Mrs. Allen made a motion, which was seconded by Mrs. Murray, to approve the aforementioned reports as discussed. Unanimous approval.

**Compliance Committee:** Will report next month.

**Community Outreach and Wellness Committee:** Dr. Kessel said the presentation on our Community Health Information Program (CHiP) that Cindy Coburn-Smith gave to the Board in September will be presented at the County Council on December 19th. He mentioned that a community breakfast featuring Dr. Philip Cusumano is planned for January 18<sup>th</sup> at the Quality Inn in Beaufort. He said that a flyer outlining the LifeFit mobile wellness unit's regular stops has been posted on the Intranet, and physicians can print them off and give to their patients. Mrs. Foulger suggested we distribute them to area grocers. Mr. Toomey said BMH is the recipient of the ACCESS Health grant through The Duke Endowment of \$500K spread evenly over the next 2 years. Dr. Kessel said we have applied for a \$20K grant from CMS to become one of the 200 hospitals testing a new delivery model for communication and best practices via the Innovation Advisors Program. The Community Outreach and Wellness report was unanimously approved.

**Strategic Planning Committee:** Next meeting is scheduled for December 13, 2011.

**STAFF REPORTS: Support Services, Human Resources, Information Systems, Patient Care Services, Public Relations, and Quality Services:** Mrs. Carroll announced that we have received the Pathways to Excellence designation, which we will have for 3 years and then reapply. She thanked the board for their support in helping attain this prestigious award, and said she is already receiving positive feedback from the community and patient feedback. She said our next goal will be to achieve Magnet status. Mr. Tedder made a motion, which was seconded by Dr. Kessel, to approve the staff reports. Unanimous approval.

**BMH FOUNDATION:** Mr. Nettles said the Valentine Ball activity is well underway, and the staff just completed the mailing of the annual appeal to the community. He also thanked everyone for attending the annual meeting.

**MANAGEMENT REPORT – Bluffton Land:** Mr. Tedder made a motion, which was seconded by Mrs. Allen, to authorize Administration to begin filing permits to undertake site preparation in anticipation of the closing in December. Unanimous approval.

**CHAIR ANNOUNCEMENTS:** Mr. Schulze reminded everyone of the upcoming Medical Staff Holiday Gala on Friday, December 9<sup>th</sup>.

**ADJOURN:** The meeting adjourned at 10:50 a.m.

Respectfully submitted,

David Tedder  
Secretary/Treasurer