

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

MINUTES – March 28, 2012

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

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

ABSENT: None

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 Mr. Tedder to go into Executive Session at 7:31 a.m. to discuss Quality Improvement, Medical Staff Credentialing, Strategic Planning, Contractual Arrangements, Legal and Personnel Matters. The motion was seconded by Mrs. Allen, and unanimously approved. The meeting re-convened to Open Session at 8:50 a.m.

INVOCATION: Dr. Kessel gave the Invocation.

INTRODUCTION: Mr. Schulze welcomed David House, our newest board member replacing Mr. Paddock, whose tenure on the Board expired. Mr. House recently moved to Spring Island as a retiree from American Express. Mr. Toomey stated that we will be recognizing Mr. Paddock at the upcoming Board retreat for his tremendous contribution to the Board these past twelve years.

Condolences were extended to Diane Wadas on the recent loss of her husband, Don. A memorial service will be held at Copeland Funeral Home on March 31st at 2:00 p.m. A memorial service for Chuck Schaller will be held at Spring Island the same day at 3:00 p.m.

APPROVAL OF MINUTES – February 29, 2012: Mrs. Murray made a motion, which was seconded by Mrs. Allen, to approve the minutes of the February 29, 2012 meeting. Unanimous approval.

COMMITTEE REPORTS

Finance Committee: Mrs. Murray reported February was a better month than the previous 5 and the only area needing improvement is days in accounts receivable. She said the overall improved results were due to higher revenues, a 5% increase in our census, more favorable contractual adjustments and lower charity care. She noted that even with the improved revenues, we are still \$2.3M below budget year-to-date (YTD) and \$3.8M below this same time last year.

She said the audit committee will be selecting a new audit firm. She said the RFPs have been sent out to 5 firms. Next month they will have been reviewed, summarized and ranked by staff. The Audit Committee will meet in April and review the proposals and select the top 2-3 and

arrange interviews at the May meeting. She said it is ultimately the Board's responsibility to select the new audit firm. She welcomed all board members to sit in on the upcoming audit interviews.

Dr. Kessel asked why Tricare is denying our claims. Mr. White said there are a number of agencies that are now denying claims. Mrs. Williams questioned if the wound care program is in jeopardy. Mr. Toomey said that the numbers have been down, but the hyperbarics were up last month. He said at a recent meeting, the referrals from Bluffton were 33% last year compared to 31% this month, so he believes it's basically a slowing down of the business.

Mrs. Murray also stated that due to the trends in hospital reimbursement, Mr. Toomey will be meeting with County Council members in the near future to educate them on the challenges BMH is facing. Mr. Toomey said once the date is identified, he would invite board members to attend. Mr. McBride is paving the way for Mr. Toomey by informing Council members how the loss of County funding has impacted the hospital. He said some Council members did not know that we are a not-for-profit hospital.

Mr. Schulze said a question was raised if we are making money on the Wound Care Center. Mr. White said he is still working on the cost analysis system and will probably take another few months before he can give an update. The financial report was unanimously approved.

Quality Improvement Committee: Dr. Simmons presented the Utilization Review Plan. Unanimous approval.

Compliance Committee: Mrs. Williams said they did not meet this month. The next meeting is scheduled for Tuesday, April 3rd.

Governance Committee: Dr. Thompson welcomed David House.

Community Outreach and Wellness Committee: Dr. Kessel reported that our Walking Trail is almost ready. He distributed a map showing the trail and a mock-up of the sign and display, which will be at the entrance to the Kate Gleason Park. He reminded Board members that BMH received recognition from SCHA for efforts to be smoke-free. Dr. Kessel said LifeFit and the YMCA are partnering on summer camp programs, and thanked Mr. Homyk for the decision not to charge for our services in that regard. Mr. Sommerville said he has been speaking with Mark Senn and Kim Yawn to explore ways LifeFit might access the County's aquatic facilities, and feels hopeful that we can work something out to everyone's advantage, possibly starting with the pool on Lady's Island. Dr. Kessel said that there has not been a PA on the mobile unit since November, due to the hiring freeze, which has impacted the number of screenings we do.

Mrs. Murray raised the issue of the need for better care coordination between patients and their healthcare providers in our community. She sees this as a possible niche for BMH to fill, as well as a strategy going forward. Mrs. Williams said care coordination is the key element that is missing in our healthcare system. Mr. Tedder said Palmetto Health and BlueCross BlueShield in Columbia have partnered on a pilot program to address this need. Mrs. Foulger said our Transition of Care committee is working with a business, Right At Home (private pay), to assist with those needs. She said they now have the beginnings of a service line model. She said Board involvement on this committee is welcome.

Strategic Planning Committee: Did not meet.

MEDICAL STAFF – *Credentials:* Dr. Tober presented the following practitioners for New Appointment: Michael Crockett, CRNA, Allied Health Staff (Anesthesia); Christina Crosby, CRNA, Allied Health Staff (Anesthesia); Cindy Crowther, CRNA, Allied Health Staff (Anesthesia); Sally Griffith, CRNA, Allied Health Staff (Anesthesia); Timothy Stacks, CRNA, Allied Health Staff (Anesthesia), Douglas Hughes, Jr., MD, Provisional – Consulting (Radiology); Chad Porter, MD, Provisional – Consulting (Radiology); Erik Baker, MD, Provisional – Community Active (Internal Medicine); Roger Ulrich, MD, Provisional – Associate (Family Practice).

Requesting Reappointment: Roberts Lisle, MD, Community Active (Family Practice); Chad Tober, MD, Active (Dept. of Surgery – Vascular); James Hall, MD, Active (Hematology/Oncology).

Mr. Tedder made a motion, which was seconded by Mrs. Williams, to accept the Credentials Committees recommendations. Unanimous approval.

Medical Executive Committee: Dr. Tober presented the following report and policy as submitted in Executive Session:

- Conflict of Interest Policy
- Medical Staff Bylaws

Mrs. Murray questioned if we have an overarching “whistle blower” protection policy for the hospital with any employee. Mrs. Wadas said it is incorporated in our Code of Conduct policy, that there will be no retaliation if someone came forward. This policy has been reviewed by our attorney and he advised us that we do not need a separate policy. Mr. Toomey said we have an environment that welcomes communication and encourages employees to speak up with their manager or use the anonymous toll free number (888) 398-2633.

Mr. Tedder made a motion, which was seconded by Mrs. Williams, to accept the aforementioned policy and bylaws with change in the bylaws as noted. Unanimous approval.

STAFF REPORTS: Support Services, Human Resources, Information Systems, Patient Care Services, Public Relations, and Quality Services: Mr. Tedder made a motion, which was seconded by Mrs. Allen, to approve the staff reports. Unanimous approval.

BMH FOUNDATION: Mr. Nettles presented 2 names to serve on the Foundation Board; Hugh Gouldthorpe and Paul Mannheim. Mrs. Murray made a motion, which was seconded by Dr. Thompson, to accept the 2 nominations. Unanimous approval.

Mr. Nettles also recognized the contributions made by Chuck Schaller, who recently passed away. Mr. Schaller had rotated off the BMH Foundation Board last November after 9 years of service.

Mr. Nettles also encouraged everyone to purchase tickets for the Duke Symphony Orchestra, who will perform at the Beaufort High School this Saturday.

MANAGEMENT REPORT – *Emergency Room:* Mr. Toomey said the ER expansion is going well, and still targeting a November completion date. He said they will start the emergency generators in the next 4-6 weeks. He said we are still waiting on DHEC to give us permission to

relocate to the temporary space. They are actually on-site today for the final walk-through of the space and hopefully, give us permission to move forward.

Hilton Head Hospital CON Denial: Mr. Toomey said the denial has been sent back to their staff. He said their staff asked them to send it back, as they feel they may have made a mistake with their initial application. Their revised report will be due back to DHEC on March 31st. We have less than a 30 day period to appeal the final decision.

The Surgery Center: Mr. Toomey said the Broad River Healthcare board authorized our 2 representatives on the Beaufort Ambulatory Surgery Center Board to approve the Fifth Amendment. Final action has still not been taken.

Board Retreat – April 13-14: Mr. Toomey said this will be held once again at Palm Key in Ridgeland and will start at 1:00 p.m. on Friday, April 13. Thornton Kirby, President of SCHA, will give an update on the “state of the state” and in the nation. He has also invited Carolinas Healthcare executives, Mike Tarwater and Joe Piemont, to discuss their challenges and strategies. Mr. Ricks will discuss the IS strategy for the future and potential costs. Our attorney, Don Meyer will give a presentation on the legal requirements and responsibilities that we have in providing care. Mr. Toomey said the Saturday session will begin at 8:30 a.m. Mr. Sloate will provide question points regarding our financial responsibilities and our social contract with the community, along with case studies.

Mrs. Williams inquired when the STEMI support letters would be needed. ***Mr. Schulze asked Mrs. Mecherle to send out the sample letters.***

CHAIR ANNOUNCEMENTS: Mrs. Murray said several community members have spoken to her about our lab costs and questioned if we could establish an outside lab (a different model). Mr. Toomey said a lot of hospitals have actually done this, but are now in the process of selling off this service line. ***Mr. Toomey said he will come back next month and discuss what our options are in addressing this issue.***

ADJOURN: The meeting adjourned at 10:00 a.m.

Respectfully submitted,

David Tedder
Secretary/Treasurer