

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

**MINUTES – April 25, 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), Ann Mecherle, Diane Wadas, Dawn Crawford, David Black (Howell, Gibson & Hughes)

**ABSENT:** Bill McBride

**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 Closed Executive Session at 7:31 a.m. with the nine Board members and one of the County Council board members. The motion was seconded by Mrs. Allen, and unanimously approved.

**MOTION:** A motion was made by Mr. Tedder to go into Executive Session at 8:28 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 9:36 a.m.

**INVOCATION:** Dr. Simmons gave the Invocation.

**INTRODUCTION:** Mr. Schulze welcomed David Black and Paul Sommerville.

**APPROVAL OF MINUTES – March 28, 2012:** Mrs. Williams made a motion, which was seconded by Mrs. Allen, to approve the minutes of the March 28, 2012 meeting. Unanimous approval.

**COMMITTEE REPORTS**

**Finance Committee:** Mrs. Murray stated our dashboard key indicators were positive except for two – Salaries and benefits as a percentage of net patient revenue with contract labor (59.26%) and days in accounts receivable (64.25). She said the committee discussed the days in A/R and noted that we have slow paying insurers, more denials and self-pay. She stated that Mr. White has hired a new manager in Patient Financial Services, who will start soon. Our total patient revenues YTD are \$19M below budget (negative) and our deductions from revenue YTD are \$14M below budget (which is a positive). Our total revenues are \$4.5M below budget YTD. Our operating expenses are being controlled. Our operating income YTD is \$2.4M below budget. She said our operating income is \$3.9M below budget YTD as compared to this same time last year, which is halfway through our fiscal year. She said we have done a good job with expense controls, but our operating environment has changed with more denials. She said during our next budget cycle, we need to budget with our new reality of little to no Medicare and Medicaid reimbursements, as well as the inpatient and outpatient volumes being flipped.

---

**Mr. House suggested we use a rolling 12 month projection.** Mr. Nettles suggests that we become more aggressive with our marketing efforts. Mr. Tedder asked Mr. Sommerville if the County would restore its level of financial support to BMH. Mr. Toomey said he is providing Mr. Kubic next week a financial summary from both a historical level and current YTD. Mr. Kubic will then come back to us and set up a time for a presentation to their Finance Committee.

**Audit Committee:** Mrs. Murray said the Audit Committee reviewed results from the recent physician coding audit and overall was a great report. She said most of the results were in keeping with the auditors 71% compliance goal. She said training sessions are being held in the next few days. Mr. Derrick said we came out much better than expected. She said we will hear back in 90 days with further updates.

Mrs. Murray said we have received four proposals for the external auditor selection and have decided to interview 3 of them at next month's Audit Committee meeting. The financial report was unanimously approved.

**Quality Improvement Committee:** Dr. Simmons said they did not meet this month and will review policies next month.

**Governance Committee:** Dr. Thompson said they did not meet this month.

**Compliance Committee:** Mrs. Wadas gave an update on RAC. She said that for the 4Quarter 2011 RAC denials were \$145,000 and cases in the appeal process amounted to \$131,000. The compliance report was approved as presented.

**Community Outreach and Wellness Committee:** Dr. Kessel reported that the new Walking Trail will officially open with a ribbon cutting ceremony at the entrance to the Kate Gleason Park on May 16<sup>th</sup>. He said we are looking at an employee health software called "Peachy" and have been offered the opportunity to become a beta site. He stated that the community talks have gone extremely well with a minimum of 100 participants at each event. Mrs. Wadas said she attended the joint pain seminar in Sun City, which had over 300 participants and was very impressed with the entire event. Mrs. Kresch said that Kevin Swing reported four new patient appointments in one office and as many or more in the other the next day.

**Strategic Planning Committee:** Did not meet.

**MEDICAL STAFF – Credentials:** Dr. Tober presented the following practitioners for New Appointment: Gayle Mara Ridgway, CRNA (Anesthesia); Sharon Griswold, CRNA, (Anesthesia); Meryl Snow, DO, Provisional Active (Family Practice BJHCHS); Christa Catalano, MD, Provisional Active (Interventional Radiology – Biopsy's only); Theodore Brisson, MD, Temporary Locum Tenens (Urology); Robert Greaves, MD, Provisional Active (Emergency Medicine).

Requesting Reappointment: Jocelyn Ajala, MD, Active, U.S. Navy (OB/Gyn); Angela Court, MD, Active (Psychiatry); Richard Fitzgerald, MD, Consulting (Radiation Oncology); Anne Flynn, MD, Consulting (Pathology); Heather Hutchings, DO, Community Active (Family Practice); Jonathon Hutchings, DO, Community Active (Family Practice); Andrew Jackson, MD, Active (Radiology); Meredith Mitchell, MD, Active (OB/Gyn); Lynn Norton, MD, Active (OB/Gyn), Ralph Salzer, MD, Active (Orthopedics); Marlo Smith, MD, Active (Pediatrics); Ronald Wise, MD, Consulting (General Surgery); Anthony Zamcho, MD, Active (Internal Medicine – Hospitalist).

---

Requesting Relinquishment of Privileges: Andrea Jolley, MD, Active (Emergency Medicine); Charles Bensonhaver, MD, Locum Tenens (Psychiatry); Karl Boatright, MD, Courtesy (Orthopedics); Joseph Walters, MD, Associate (Psychiatry).

Physician Returned from Leave of Absence: Roderick Dippel, MD, Active (Family Practice – Hospitalist).

Physician Expired: Michael Clarke, MD, Provisional Active, U.S. Navy (Orthopedics) – suddenly passed December 2011.

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

**Medical Executive Committee:** Dr. Tober presented the following policies as discussed in Executive Session:

- Medical Staff Appointment & Reappointment Fees Policy
- Consult Notification Policy
- Code White Policy
- Code Blood Policy

Dr. Kessel made a motion, which was seconded by Mrs. Allen, 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 said we have reached a milestone in our fundraising with a change in the way the Investment Committee functions. The funds have grown to the point that we need to be more focused on various aspects of our investments. Ms. Moss said that the 2013 Valentine Ball chairs have been named – George and Mary Lee Grove and Drs. Rick Toomey and Linda Hawes. She thanked Mrs. Carroll for the time she spent with Foundation members to acquaint people with the new Women’s Imaging Center.

**MANAGEMENT REPORT** – Mr. Toomey reminded Board members of the Beaufort Memorial Cycling Classic on Tuesday, May 1<sup>st</sup>. Mr. Toomey asked Mrs. Foulger to give a summary of the recent Joint Commission inspection. Mrs. Foulger said the survey team was very impressed with BMH, especially its ambulatory services. They started off on the right foot surveying our doctors’ offices and outpatient facilities. The survey group said they wanted to take a number of Best Practices from their visit, including our sterilization process and certain forms. They were impressed with the Leadership interview, seeing how the Culture Team, Strategic Planning and other groups work together. They cited five standards that could have a direct impact on patients for us to remedy within 45 days; however, they are mostly easy fixes. We had a few more citations that could have an indirect impact on patients that should be remedied within 60 days. They encouraged us to move as quickly as possible to change over to EMR, and everyone agrees the transition is difficult. Another problem is that patients, who are admitted, but still held in the ER as a bed wait, should be documented in Meditech instead of Medhost so that they receive the same level of care as all other admitted patients. A resolution has been identified for this and will be in place within 45 days. Many citations were minimal, like having items stacked less than 18” from the ceiling, blocking sprinkler heads in case of fire,

---

or doors left open in areas where they are supposed to be left closed. Mrs. Foulger said Mr. Moody deserves kudos for no life safety citations. In conclusion, she said we should be very proud of our staff. There are thousands of standards to meet, and according to the surveyors, we are in the top 1% of hospitals nationwide!

**CHAIR ANNOUNCEMENTS:** Ms. Moss reminded everyone of the Celebration of Giving tomorrow night and appreciates the attendance of the Board members.

**ADJOURN:** The meeting adjourned at 10:30 a.m.

Respectfully submitted,

David Tedder  
Secretary/Treasurer