

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

**MINUTES – June 27, 2012**

**BOARD MEMBERS PRESENT:** Jerry Schulze (Chair), Terry Murray (Vice Chair), David Tedder (Secretary/Treasurer), Steve Kessel, M.D., 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, Bill McBride, Ann Mecherle, Diane Wadas, Dawn Crawford, David Black (Howell, Gibson & Hughes)

**ABSENT:** Susan Williams, Paul Sommerville

**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 David House 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 Mr. Tedder, and unanimously approved. The meeting re-convened to Open Session at 8:41 a.m.

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

**APPROVAL OF MINUTES – May 30, 2012:** Mr. Tedder made a motion, which was seconded by Dr. Simmons, to approve the minutes of the May 30, 2012 meeting. Unanimous approval.

### **COMMITTEE REPORTS**

**Finance Committee:** Mrs. Murray reported that our operating results improved for the month of May. Patient revenues were \$800K below budget. Our census was 104 compared to our budget of 114. Our deductions were also \$575K less than projected. Our total revenues were \$12.9M for the month and our operating expenses were \$315K above budget. Our operating income for the month was \$157K; however, year-to-date (YTD), we have a positive income of \$782,215, but it is far below our projected budget of \$5.4M. She noted that we have a negative operating margin of 3.32% and a cash flow margin of 8.14%. Days in accounts receivable improved to 56.22; however, we are still above our budget of 52.

She said that Mr. White will be working with the Finance Committee on forecasting major assumptions for year-end projections. She said the budget process will start next month.

She said regardless of the Supreme Court decision on the Affordable Care Act, we will most likely need to base our model of future reimbursements on what Medicare pays. Mr. Toomey agreed that regardless of their decision, there will not be any new money.

Mrs. Murray also reported that staff looked into our laboratory pricing for outpatient procedures with both pros and cons of 4 different scenarios. It was determined that we cannot make adjustments, since Medicare does not allow for two different pricing structures. She thanked staff for their efforts on preparing the report. Mr. Schulze reminded the Board members that they are welcome to attend the Finance Committee meeting on July 23<sup>rd</sup>, which will include discussions on the FY 2013 budget assumptions.

---

Mr. Kessel raised a concern he has heard from staff recently ... asking why we are purchasing property in these tough economic times. *Mr. Toomey said he would send out "talking points" to all the Board members.* The financial report was unanimously approved.

**Quality Improvement Committee:** Dr. Simmons presented the following reports:

- Infection Control Plan
- Risk Management Plan

Mr. House made a motion, which was seconded by Mrs. Allen, to approve the aforementioned reports as discussed in Executive Session. Unanimous approval.

**Compliance Committee:** Mrs. Wadas said they did not meet this month, but will be meeting again on Wednesday, July 11<sup>th</sup>.

**Governance Committee:** Dr. Thompson said the committee met and recommended the reappointment of three Broad River Healthcare Board members – Ed Duryea, John Barry and Bill Robinson. Unanimous approval.

**Community Outreach and Wellness Committee:** Dr. Kessel reported that an Executive Director has been selected to run the Access Health Lowcountry project, funded by The Duke Endowment and the BMH Foundation. He said SCHA wants to feature our new Walking Trail in their *Working Well* news. LifeFit worked with the YMCA to offer a new Fitastic Camp for children. BMH received funding from The Duke Endowment to help curb readmissions. One project involves area churches and their Health Ministry programs to offer regular screenings and counseling. He concluded his report saying a decision was made to merge the *Working Well* committee and the Community Wellness committee, since their purpose is the same.

**Strategic Planning Committee:** Mrs. Allen said the committee met on June 18<sup>th</sup> and discussed the following issues: 1) Move more quickly to adopt CPOE, 2) Explore further possibility of having 3<sup>rd</sup> and 4<sup>th</sup> year medical students at a branch MUSC campus in Beaufort, and 3) create a list of variables to consider when cutting or adding services.

**MEDICAL STAFF – Credentials:** Dr. Tober presented the following practitioners for New Appointment: Linda Brown, MD, Provisional Active (Family Practice – Hospitalist); Matthew Carroll, PA-C, Allied Health (Emergency Medicine); Pauline Dishler, CRNA, Dependent Provider (Anesthesia); James Elmore, MD, Temporary Locum Tenens (Psychiatry) for 60 days; Lynn Stockey, CRNA, Dependent Provider (Anesthesia); Jarrod Wright, MD, Provisional Active (Emergency Medicine).

Requesting Reappointment: Donna Andrews, Midwife, Allied Health (OB/GYN – Sponsored by Dr. Davis-Tolbert); Charles Bensonhaver, MD, Locum Tenens (Psychiatry) for 60 days; Amanda Salas, MD, Allied Health (Psychology); Scott Shaffer, PhD, Allied Health (Psychology) consulting for referrals or if a patient is admitted.

One Year Review/Change of Status: Shelley Jain, MD, Provisional Consulting to Consulting (Radiology); Deanna Mansker, MD, Provisional Associate to Active (General Surgery).

Requesting Relinquishment of Privileges: Karl Boatright, MD, Courtesy (Orthopedics).

Request to be Removed form On Call Status: Francis Rushton, MD, Active (Pediatrics) due to time worked and turning 60 years of age per policy.

Leave of Absence: Erasme Coly, MD, Active (Cardiology).

---

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

**MEC:** Dr. Tober submitted the following policies:

- CPOE Policy
- Medication Prescribing Policy
- Telemetry Monitoring Policy
- Tobacco-Free Policy
- Sedation and Analgesia Policy

Mr. House made a motion, which was seconded by Mrs. Allen, to accept the policies as presented. Unanimous approval.

**STAFF REPORTS: Support Services, Human Resources, Information Systems, Patient Care Services, Public Relations, and Quality Services:** Mr. Homyk distributed literature on the new 340B Pharmacy program, and said the potential cost savings to BMH are significant. He thanked Pat Foulger and Frank Miriello (Pharmacy Director) for their assistance in getting this program underway. He said employees and physicians will be educated on the program and its benefits over the next few days.

Mr. Schulze asked Mrs. Carroll to explain why we chose not to reapply for our Level III Trauma designation. Mrs. Carroll said the state has decided to revisit this designation and has asked all hospitals to reapply. She said due to all that is going on with our ED, we have chosen to wait a year to better understand their new standards and reapply. Mrs. Allen made a motion, which was seconded by Mr. Tedder, to approve the staff reports. Unanimous approval.

**BMH FOUNDATION:** Mr. Nettles reported that our annual giving has increased by 23%. He said because BMH has a good reputation in the community, this bodes well for us. He said Anton Campanella will be leaving the Foundation Board due to his upcoming move to Virginia.

**MANAGEMENT REPORT** – Mr. Toomey said directly following the July board meeting, there will be a tour of the ER for Board members. He is working with Rob McFee on the removal of a dying oak tree on our Lady’s Island property; they hope to recycle the wood to be used on naval vessels that are refurbished at the Mystic Seaport in Connecticut.

Mr. Toomey said he recently met with representatives from MUSC to discuss their support of our STEMI CON; he said they also had other items on their agenda, one being the expansion of their medical school program to include a branch campus in Beaufort. He said our experience with the students from A.T. Still Osteopathic School in Oklahoma has been good, but we need to be sure the programs are compatible. In the future, there may be an opportunity for the teaching branch to expand into residency programs. He said we will review our agreements with Duke to ensure we don’t run into any conflicts there.

He said we received the Readers Choice award for the Best Hospital by the *Beaufort Gazette*.

Mr. Toomey said the recent article in the *Beaufort Gazette* about the proposed Ribaut Road project helped raise awareness about what the City’s thought process is on this issue. *He said we will provide a letter to the Editor on what we believe the City is doing and our thoughts, in order to make the community aware. We will provide a copy of the letter to elected officials before submitting to the newspaper.*

---

**MOTION:** Mr. Tedder made a motion, which was seconded by Mrs. Allen, to authorize the CEO/President to negotiate settlement of the pending DHEC appeal regarding the Hilton Head Hospital CON upon the best terms and conditions as he believes practical, including the authority to withdraw the BMH appeal. Unanimous approval.

Mr. Toomey stated that we have been looking at ways to conserve our scarce dollars, and concluded that sponsoring the annual Cycling Classic should come to an end. He said we have had six fun years bringing that event to Beaufort, but we can certainly find other ways to spend the \$35K that more closely impacts our mission. Board members agreed. *He said representatives of Lowcountry Velo will be contacted to inform them of our decision.*

**CHAIR ANNOUNCEMENTS:** Mr. Schulze said we have been discussing having a board meeting at the Bluffton Medical Services facility; however, there is a logistics problem with people having early office hours in Beaufort. Everyone agreed that we should continue to explore options of having a meeting or social hour there.

**ADJOURN:** The meeting adjourned at 9:27 a.m.

Respectfully submitted,

David Tedder  
Secretary/Treasurer