

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

MINUTES – April 26, 2017

BOARD MEMBERS PRESENT: Terry Murray (Chair), Bill Himmelsbach (Vice-Chair), David Tedder (Secretary), David House, Kathy Cooper, Andrea Allen, Mark Dean, M.D., Faith Polkey, M.D., and Norman Bettel, M.D.

OTHERS PRESENT: Russell Baxley, Hugh Gouldthorpe, Paul Sommerville, Kurt Gambla, D.O., Ed Ricks, Brian Hoffman, Ken Miller, Alice Moss, Chris Ketchie, Karen Carroll, Courtney McDermott, Shannon Holwadel, Shawna Doran, Allison Coppage, and Anna Sobiech

ABSENT: James Simmons, M.D. and Alice Howard

Guests: Robert Achurch (Howell Gibson Hughes)

CALL TO ORDER: Mrs. Murray 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 7:30 a.m. with the seven Board members to discuss Strategic Planning, and Personnel Matters. The motion was seconded by Mrs. Allen, and unanimously approved.

MOTION: A motion was made by Mrs. Cooper to go into Executive Session at 8:07 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 9:40 a.m.

CONSENT AGENDA – Approval of Minutes for March 29, 2017, Committee Reports & Minutes, and Staff Reports: Mr. Tedder made a motion, which was seconded by Mr. Himmelsbach to adopt the agenda, amendment to the minutes and reports as presented. Unanimous approval.

Ed Ricks provided a brief update on the physician EMR and indicated that it will be implemented two weeks from now.

Very brief discussion ensued regarding the Utilization Management Committee. A list of the committee members will be provided to the Board and clarification will be made on the reporting.

Mrs. Cooper clarified that the Governance Committee Meeting is scheduled for May 23, 2017.

COMMITTEE CHAIR ISSUE IDENTIFICATION: Mrs. Cooper provided an update on the Governance Committee. The Committee met with six candidates who would replace the Board seat vacated by Dr. Simmons's resignation. Mrs. Cooper indicated that the Committee is bringing forth the names of Dr. Stacey Johnston and Dr. Patrick Meehan, as recommendations for Board approval and, if Board approves, to bring forth the two nominations to County Council. Mrs. Cooper provided brief information on both physicians, however indicated that

additional information would be provided upon request. Mrs. Cooper indicated that both physicians are hospitalists.

MOTION TO ACCEPT THE RECOMMENDATION OF THE GOVERNANCE COMMITTEE AS PRESENTED – Mr. Himmelsbach made a motion, which was seconded by Mrs. Allen. Unanimous approval.

Finance Update: Mr. Miller provided a brief summary of the changes made on how the calculations are made on contractual reserves. The change to the new model of reporting will provide more current payment history and will make financials more accurate. March was a strong volume month however did have a net income loss primarily due to audit entries and adjustments. Days cash on hand was 140. Debt to service ratio was at 1.15. Mr. Miller indicated that we had conversations with TD and Regions Banks to go over the issues that the Finance Committee brought up. Mr. Miller has additional conversations scheduled with the banks before signing of the waivers.

BMH FOUNDATION: Mr. Gouldthorpe highlighted the annual Celebration of Giving which was well attended. A check in the amount of \$597,808 was presented to the hospital. A brief update was also provided regarding the Duke Symphony.

MEDICAL STAFF: Dr. Bettel indicated that there were no outstanding issues. Protocols were re-approved by MEC as outlined in the board packet.

MEDICAL STAFF – Credentials: The following practitioners requested appointment: Butterfield, Lee, MD, Prov. Active/Medicine-Cardiology; Caglayan, Emre, PA-C, Prov. Allied Health Professional/ Orthopedics (Dr. Dean's Office); McCorvey, Barbara, Prov. Consulting/Radiology-VRC; Naidu, Sandeep, Prov. Consulting/Radiology-VRC; Norton, Julien, MD, Locum Tenens/Surgery-Otolaryngology; Raman, Bhargav, Prov. Consulting/Radiology-VRC; Thompson, Margaret, NP, Prov. Allied Health Professional/ Psychiatry; Unsell, Bryan, MD, Prov. Consulting/Radiology-VRC; Vargo, Neeta, MD, Prov. Consulting/Radiology-VRC; Watts, Robert, MD, Prov. Consulting/Radiology-VRC.

Reappointment: Coleman, Lawrence, MD, Active/Pediatrics; Crisologo, John, MD, Active/Medicine-Gastroenterology; Floyd, Joseph, MD, Active/Pediatrics; Fontana, John, MD, Active/OB/GYN (GYN Only); Keane, Karen, DO, Active/Pediatrics; Keane, Timothy, DO, Active/Pediatrics; Meehan, Patrick, MD, Active/Medicine-Internal Medicine-Hospitalist; Miller, Natalie, PA-C, Allied Health Professional/ Emergency Medicine; Robinson, Ronald, MD, Active/Radiology; Ruocco, Martin, MD, Consulting/Radiology-VRC; Simmons, George, MD, Active/Anesthesiology; Starsiak, William, DDS, Navy Active/Surgery- Oral Surgery; Tucker, Carey, PA-C, Allied Health Professional/ Emergency Medicine.

One year review: Briggs, Jonathan, MD, Prov. Active/Radiology-Oncology; Della Vecchia, Jason, MD, Prov. Active/Medicine-Internal Medicine-Hospitalist; Mackey, Robert, MD, Prov. Consulting/Radiology-VRC; Turner, James, MD, Prov. Consulting/Radiology-VRC; Woerndle, Richard, DO, Prov. Active/Medicine-Internal Medicine-Critical Care.

Six month review: Achanti, Anand, MD, Prov. Consulting/Medicine-Nephrology; Ardakani, Navid, MD, Prov. Consulting/Radiology-VRC; Burdette, David, MD, Prov.

Consulting/Radiology-VRC; Chapman, Alison, MD, Prov. Consulting/Telemedicine-Pediatrics; Gibson, Aprile, MD, Prov. Consulting/Radiology-VRC; Ghanaat, Mahyar, MD, Prov. Consulting/Radiology-VRC; Kanter- Washko, Julie, MD, Prov. Consulting/Medicine- Sickie Cell Clinic; Martin, Devin, PA-C, Prov. Allied Health Professional/ Emergency Medicine.

Resignations: Carter, Jon, MD, Consulting/Emergency Medicine; Dishler, Pauline, CRNA, Dependent Practitioner/Anesthesiology; Evec, Kenneth, CRNA, Dependent Practitioner/Anesthesiology; Lisle, Robert, MD, Community Active/Medicine- Family Medicine; Schneider, Clay, MD, Active/ Medicine-Internal Medicine-Hospitalist; Simmons, James, MD, Active/Pediatrics.

Mr. Himmelsbach made a motion, which was seconded by Mrs. Cooper to accept the Credentials Committee recommendations as presented.

ACTION ITEMS, POLICIES, DISCUSSION OR SUPPLEMENTAL INFORMATION:

Mrs. Murray presented the metrics for the potential bonus award for the CEO at the end of the fiscal year as recommended by the Executive Committee:

1. Annual bonus = 25% base salary with 3 payout levels of threshold (80%), target (100%) and superior (120%).
2. Long term (3 year moving average) bonus=10% base salary.
3. The Annual Bonus will be based on achievement of the metrics in the Strategic Plan.
4. The Long Term Bonus (3 year) will be based on achievement of following:
 - A. Negotiate and finalize LCA contract.
 - B. Finalize strategic plan for Bluffton/ sign with developer/ break ground/facility complete in 2019.
 - C. Create strategic affiliations with rehab and psych.
 - D. Rebrand BMH as Beaufort Memorial Health.
 - E. Achieve 5 Star rating from Medicare.
 - F. Develop telemedicine program out to our community.

MOTION TO ACCEPT THE METRICS FOR THE POTENTIAL BONUS AWARD FOR THE CEO AT THE END OF THE FISCAL YEAR AS RECOMMENDED BY THE EXECUTIVE COMMITTEE – Mr. Himmelsbach made a motion, which was seconded by Mr. Tedder. Unanimous approval.

Human Resources Report – Mrs. Murray requested going forward that the report be presented at the end of the fiscal year.

MOTION TO ACCEPT THE HUMAN RESOURCES REPORT AS PRESENTED – Mr. Tedder made a motion, which was seconded by Mrs. Cooper. Unanimous approval.

MOTION TO APPROVE THE UTILIZATION MANAGEMENT PLAN – Mr. Tedder made a motion, which was seconded by Mrs. Cooper. Unanimous approval.

MANAGEMENT REPORT – Mr. Baxley provided a brief update on the EVS transition with HHS (Hospital Housekeeping Systems) which was in place on Monday. The new Director of EVS is Josh Stackley. We will also be hiring an assistant director along with a linen utilization manager. We will be forgoing any outside contracts for our cleaning services for our buildings and restructuring the department to use existing FTEs. Mr. Baxley acknowledged the work of Ed Ricks on this project and transition.

Mr. Baxley provided a brief update on the administration vacancies. A VP of Quality, Safety and Patient Satisfaction position will be opened. The opening the Director of Patient Experience has brought in good candidates. Three candidates will be brought in for in person interviews and a selection will be made. A telemedicine manager opening has become available through the state grant and MUSC.

An Initiant update was provided by Ken Miller. Mr. Miller explained the three part structure: Initiant, Vizient and Partners. The agreement has been signed and we are part of Partners which places us on committees to voice what products we want to use and what contract we want to take advantage of. Initiant is the MUSC affiliation which has not been finalized. We should see savings within 60 to 90 days as we transition from the Vizient (GPO) agreements to take advantage of the Partners agreements.

COMMITTEE CHAIR ISSUE IDENTIFICATION: Mrs. Murray will not be present for the May Board Meeting. Mr. Tedder will chair the May Board Meeting and Mr. Himmelsbach will participate by conference call. Mr. Himmelsbach will chair the Executive Committee Meeting in Mrs. Murray's absence.

Mr. Tedder acknowledged the two Gold Star achievers, Shawna Doran and Nancy Fu.

ADJOURN: The meeting adjourned at 10:15 a.m.

Respectfully submitted,

David Tedder
Secretary