



MINUTES

Board of Directors Meeting

7:00 PM - Wednesday, January 22, 2020
Conference Rooms 1 & 2

The Board of Directors of the South Peninsula Hospital was called to order on Wednesday, January 22, 2020, at 7:00 PM, in Conference Rooms 1 & 2.

1. CALL TO ORDER

The BOD went into Executive Session to discuss personnel and financial matters prior to the start of the regular meeting.

****Into Executive Session – 5:00 p.m. ****
****Out of Executive Session – 6:45 p.m. ****
****Regular Session – 7:00 p.m. ****

President David Groesbeck called the regular meeting to order at 7:00 p.m.

2. ROLL CALL

BOARD PRESENT: Secretary Bernadette Wilson, Member Keri-Ann Baker, Member Thomas Clark, Member Melissa Jacobsen, Member Walter Partridge, Member Julie Woodworth, President David Groesbeck, and Member Beth Wythe

BOARD EXCUSED: Vice President Matthew Hambrick

ALSO PRESENT: Ryan Smith, CEO; Maura Jones, Executive Assistant (Recording Secretary), Angela Hinnegan, CFO; Dawn Johnson, CNO; Pamela Knorr, HR Director; Susan Shover, QM Director; Glenn Radeke, Facilities Director; James Bartilson, IT Director; Derotha Ferraro, Marketing/PR Director; Ivy Stuart, Home Health Manager; Boni McNatt; Marilyn Shroyer

A quorum was present.

3. REFLECT ON LIVING OUR VALUES

Mr. Groesbeck asked Ms. Ferraro to speak to a letter in the Marketing Report. Ms. Ferraro shared a community member's letter about the Walk with a Doc program. The woman was a loyal participant in the program and appreciates what it provides for the community, and was particularly impressed with the level of care and progressive approach to pain management shown in the talk given by Dr. Katie Ostrom and Robert Austin, CRNA.

4. WELCOME GUESTS & PUBLIC / INTRODUCTIONS / ANNOUNCEMENTS

Mr. Groesbeck welcomed guests and members of the public. He welcomed the newest board member elected in December 2019, Beth Wythe.

4.1. Rules for Participating in a Public Meeting

Rules are provided in the Board packets and displayed in the room.

5. APPROVAL OF THE AGENDA

5.1. Approval of the Agenda

Member Julie Woodworth made a motion to approve the agenda, adding the report 11.7 BOD Committee: Medical Staff Development Committee. Member Keri-Ann Baker seconded the motion. Motion Carried

6. APPROVAL OF THE CONSENT CALENDAR

6.1. Consideration to Approve the South Peninsula Hospital (SPH) Board of Directors meeting minutes for December 18, 2019.

6.2. Consideration to Approve Board of Directors 2020 Action Calendar

6.3. Consideration to Approve Updated Board Finance Policies:

F-01 Funded Depreciation

F-02 Health Plan Reserve

F-03 Investment of Facility Funds

F-04 Professional Liability Insurance Deductible Reserve

F-05 Operational Reserves

F-06 Credit and Collections

F-08 Board Member and CEO Travel

F-11 Self Supporting Operations

F-12 Approval and Adoption of Operating Budget

F-13 Finance Reports

F-14 Grant Applications

F-15 New Service Approval and Service Elimination

F-16 Budget Modifications

F-17 Profit Sharing Contributions

6.4. Review of Patient Centered Care Quality Committee Minutes - December, 2019

The consent calendar was read into the record by Bernadette Wilson, Secretary.

Member Beth Wythe made a motion to approve the consent calendar. Member Julie Woodworth seconded the motion. Motion Carried

7. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

There were no public comments.

8. PRESENTATIONS

8.1. Proclamation Recognizing Boni McNatt for 28 Years of Service

Mr. Groesbeck read the proclamation honoring Ms. McNatt for her 28 years of service to South Peninsula Hospital, and the Board and guests congratulated her, and wished her well.

9. UNFINISHED BUSINESS

9.1. Consideration to Approve the Proposed Amendment to the Board Bylaws, Article III, Section 1, after readings on November 20th and December 18th, 2019.

Ms. Woodworth presented an amendment to the Board of Directors Bylaws for a third reading prior to vote.

The proposed bylaw amendment was read into the record. Article III, Section 1. will be amended to read, "The Hospital Board shall consist of eleven (11) members. No more than three (3) members may reside outside of the Hospital Service Area. No more than two seats will be designated physician seats."

Member Julie Woodworth made a motion to approve the proposed amendment to the Board Bylaws, Article III, Section 1, after readings on November 20th and December 18th, 2019. Secretary Bernadette Wilson seconded the motion. Motion Carried

10. NEW BUSINESS

10.1. Election of Officers

Ms. Woodworth thanked all of the board officers for their service, and Ms. Wilson for her many years serving as Board Secretary. Mr. Clark presented Mr. Groesbeck and Ms. Wilson with tokens of appreciation for their hard work.

Nominations, discussion and election of officers occurred earlier this evening in Executive Session.

Member Julie Woodworth made a motion to approve Thomas Clark as Board President. Member Keri-Ann Baker seconded the motion. Motion Carried

Member Julie Woodworth made a motion to approve Walter Partridge as Board Vice President. Member Keri-Ann Baker seconded the motion. Motion Carried

Member Julie Woodworth made a motion to approve Matthew Hambrick as Board Treasurer. Member Keri-Ann Baker seconded the motion. Motion Carried

Member Julie Woodworth made a motion to approve Melissa Jacobsen as Board Secretary. Member Keri-Ann Baker seconded the motion. Motion Carried

10.2. Consideration to Approve Board Roster, Committee Appointments, and Service Area Board Meeting Representatives

Ms. Wilson requested that the Board Roster list the former profession of those board members who are retired, instead of stating only "retired". Ms. Jones will make that change.

Mr. Clark asked all Board members to ensure Ms. Jones knows which committees they wish to serve on.

Member Julie Woodworth made a motion to approve the Board Roster with recommended change, Committee Appointments, and Service Area Board meeting representatives for 2020. Member Keri-Ann Baker seconded the motion. Motion Carried

10.3. Annual Forms: Conflict of Interest, Board Information for CMS, Confidentiality Agreement

Mr. Clark noted that copies of the required forms were available in the room. He requested all Board members complete the forms and turn them in to Ms. Jones before leaving.

10.4. Consideration to Approve SPH Resolution 20-01, Approving the Capital Budget for FY2021.

Mr. Smith gave the staff report. The capital budget was reviewed in the January Finance Committee meeting and in Executive Session earlier this evening. Hospital administration requests that the Board approve the proposed capital requests, rated priority 1, and forward to the Service Area Board for review and approval at their February meeting.

Mr. Groesbeck reported that the Finance Committee reviewed the list of capital budget requests and recommended approving Administration's priority one projects for submission to the Service Area Board.

Member Melissa Jacobsen made a motion to approve South Peninsula Hospital Resolution 20-01, A Resolution Approving the Capital Budget for FY2021. President David Groesbeck seconded the motion. Carried

10.5. Consideration to Approve Notice of Change of Officials & Notice of Reorganization

Mr. Smith reported these are required documents to update the State of Alaska with changes to the Board of Directors members and officers.

Member Julie Woodworth made a motion to approve Notice of Change of Officials and Notice of Reorganization. Secretary Bernadette Wilson seconded the motion. Motion Carried

11. REPORTS

11.1. BOD Committee: Finance

Angela Hinnegan reported. The finance team has been working on capital budget requests. Anna Hermanson has been working on getting new pricing

updates for the public website. Departmental interviews with managers are underway right now, in preparation for upcoming work on the operating budget. In April the draft of the 990 will be brought to Board.

11.2. BOD Committee: Governance

Julie Woodworth reported. The Governance Committee has been focused on the bylaw changes and the election of officers. Ms. Woodworth welcomed Ms. Wythe to the Board.

11.3. BOD Committee: Education

Keri-Ann Baker reported. The Rural Health Care Conference is approaching and three Board members will be attending, alongside three members of SPH leadership. Ms. Baker requested a board member bring back a report to share any new insights with the group.

11.4. BOD Committee: Pension

The Pension Committee did not meet in January.

11.5. Chief of Staff

There was no Chief of Staff report as Dr. Landess was working in the ED. Mr. Smith shared that the medical staff will be working with the Greeley Company regarding updates to the Medical Staff Bylaws, Peer Review Program and the Medical Staff Development Plan.

11.6. Service Area Board Representative

William Runnoe reported on behalf of the Service Area Board. At the upcoming meeting, the board plans to review two grant proposals and the service area board budget.

11.7. Medical Staff Development Committee

Ms. Woodworth reported. The Medical Staff Development Committee met earlier today and decided to postpone the annual review of the plan until after the Greeley Company visits in March to provide feedback on the current policy.

12. ORGANIZATIONAL REPORTS

12.1. Chief Executive Officer

Mr. Smith's report was in the packet. He shared that the Board spent a lot of time in Executive Session reviewing the new Quality tool, the Balanced Scorecard. He thanked the organization, senior leadership and particularly the Quality Management department for hard work pulling the document together.

12.2. Chief Financial Officer

Angela Hinnegan, CFO, reported with an overview of December financials. Cash on Hand increased four operating days over November, as patient receipts were down slightly and there were three payrolls in November. The capital equipment line increased significantly, as we capitalized our GE monitors and our ultrasounds. The income statement is right where we expected it to be for the month for total gross revenues although we are down in inpatient and up in outpatient, which offset. We are trying to get uncompensated care trued up, so the Charity line may look out of place; and

may not trend with budget for the rest of year. Total operating expenses for December were within 2% of budget, and we ended the month with a total net income of approximately \$38,000 which is more than we expected. Ms. Hinnegan noted the large negative figure on bond interest expense, due to reconciling interest expense with what we truly expect them to be. A monthly estimate had been used previously. Ms. Hinnegan moved to statistics, where inpatient days are about 7% below expected, and outpatient is slightly below expected. There was some provider time away this month. Ms. Hinnegan noted there is one extra report you can expect every month, the cash flow statement, as this is a required report for the Kenai Peninsula Borough.

12.3. Chief Nursing Officer

Dawn Johnson's report was provided in the packet. She had nothing to add.

12.4. Long Term Care Director

Cathy Myers' report was provided in the packet. She was not present at the meeting. Mr. Smith informed the Board that surveyors were present in Long Term Care today, following up on an investigation.

12.5. Quality Management Director

Susan Shover's report was provided in the packet. She had nothing to add.

12.6. Human Resources Director

Pamela Knorr's report was provided in the packet. She added that the union was set to take a vote on the tentative Collective Bargaining Agreement on January 30th. LyDette Kieffer, union representative, will be on campus later in the week distributing copies to members and answering questions. Mr. Smith stated the Board will call a special meeting to approve the union contract if it is ratified by the union membership.

12.7. Marketing / PR Director

Derotha Ferraro's report was provided in the packet. She had nothing to add.

12.8. Facilities Director

Glenn Radeke's report was provided in the packet. He had nothing to add.

12.9. IT Director

James Bartilson's report was provided in the packet. He added there were two system outages earlier in the evening and apologized for the disruption in service.

13. DISCUSSION

14. COMMENTS

(Announcements/Congratulations)

14.1. Chief Executive Officer

Mr. Smith welcomed Ms. Wythe to the Board.

14.2. Board Members

Ms. Woodworth welcomed Ms. Wythe, Ms. Hinnegan and Dr. Landess to the team. She thanked Mr. Groesbeck, Ms. Wilson, Mr. Chesley and Mr. Hambrick for their service as officers last year. She congratulated Ms. McNatt on her retirement and thanked her for her service to SPH. She noted the Homer Bucks program was very well received in the community and thanked Mr. Smith for supporting that program. She looks forward to 2020 and to working with this Board of Directors and Leadership Team.

Mr. Partridge thanked senior leadership for the effort they put into their reports. He welcomed Ms. Wythe to the Board. He thanked Mr. Groesbeck and Ms. Wilson for their service.

Ms. Baker thanked all the outgoing leaders. She appreciated those willing to step up and serve for the next year. She thanked the leadership group for their work on the new measurement tools.

Ms. Jacobsen agreed with all the sentiments expressed by the other Board members.

Ms. Wythe thanked the group for the vote of confidence and thanked Mr. Smith for taking time to speak with her and welcome her to the team.

Ms. Wilson welcomed Ms. Hinnegan back to the team, and welcomed Dr. Landess and Ms. Wythe. She thanked the officers for their service.

Mr. Groesbeck thanked everyone for their service, particularly Ms. Wilson for her friendship and mentorship. He thanked Mr. Clark for stepping into the role of president.

Mr. Clark welcomed Ms. Wythe to the Board. He thanked Mr. Groesbeck for being a steady hand during years of change. He thanked Ms. Wilson for the enormous amount of work she does for the Board, and for being willing to serve as chair of the Education Committee.

15. INFORMATIONAL ITEMS

15.1. New Provider Information

15.2. Calendar of Meetings, 2020

16. ANNOUNCEMENTS AS A RESULT OF EXECUTIVE SESSION

16.1. Credentialing

After review of the applicants files in Executive Session, Ms. Jacobsen moved to approve the following positions in the medical staff as requested and recommended by the Medical Executive Committee:

Appointment

Abdelrahman Beltagy, MD, Neurology/telestroke, Telemedicine
John Draper, MD, Anesthesia/eICU, Telemedicine
Sheila Smith, MD, Neurology/telestroke, Telemedicine

Reappointment

James Cisek, MD, Emergency Medicine, Active Staff
Edson Knapp, MD, Radiology, Active Staff
Mark Lorenz, MD, Otolaryngology, Courtesy Staff
Julie McCarron, CNM, Midwifery, Allied Staff Category A
Brian McCorison, CRNA, Anesthesia, Allied Staff Category A

Member Julie Woodworth seconded the motion. Motion Carried

17. EXECUTIVE SESSION (IF NECESSARY)

Executive Session was not required.

18. ADJOURNMENT

18.1. The meeting was adjourned at 7:36pm.

President David Groesbeck made a motion to adjourn. Member Walter Partridge seconded the motion. Motion Carried

Respectfully Submitted,

Accepted:

Maura Jones, Executive Assistant

Thomas Clark, President

Minutes Approved: 02/26/2020

Melissa Jacobsen, Secretary