

**LAWRENCE MEMORIAL HOSPITAL
BOARD OF TRUSTEE MEETING MINUTES
February 16, 2011**

Present:	Judy Keller	Gene Meyer	Kathy Clausing-Willis
	Verdell Taylor	Karen Shumate	Janice Early-Weas
	Chuck Heath	Simon Scholtz	Scott Solcher, MD
	Dan Lambert	Deborah Thompson	Andy Ramirez
	Joe Flannery	Dana Hale	
	Allen Belot	Sheryle D'Amico	
	Greg Schnose, MD	Jeff Novorr	
	Mike Wildgen	Jane Maskus	
	Jane Blocher	Sherri Vaughn, MD	

Others present: Audrey Bishop, Associate VP of Physician Division, Karrey Britt, Journal-World Reporter, Todd Koch, Director of Facilities Management

Call to Order

The meeting was called to order at 9:03 a.m. by Judy Keller, Chairperson.

Approval of Agenda

The Agenda was presented for review and approval. The Finance Committee minutes were moved from the Consent Agenda.

MOTION: made by Chuck Heath seconded
by Joe Flannery to approve the Agenda as
modified. Motion carried.

Consent Agenda

- a) Board of Trustee Minutes, January 19, 2011
- b) Planning Committee Report

MOTION: made by Joe Flannery, seconded by
Chuck Heath to approve the Consent Agenda.

Finance Committee Minutes and Recommendations

Minutes of the February 14, 2011 meeting were reviewed along with the December, 2010 and January, 2011 Financials. It was noted that this year is off to a good start. A corporate buyer has agreed to purchase the LMH bonds at a lower interest rate than the hospital can receive with a public issue at this time.

MOTION: made by Chuck Heath, seconded by
Mike Wildgen to approve the Finance Committee
minutes, December 2010 and January 2011 Financials.

Facilities Committee Report

Allen Belot updated the Board on the progress of the construction in Eudora. Work has begun on the interior of the medical building and it is anticipated that the physicians can move in mid-April. An opportunity to put a video board sign near the building is being explored. Also discussed at the recent meeting was the relocation of Business Health services to the 4th Street Health Plaza and the possible relocation of Kreider Rehabilitation services to the 2nd Floor. The architect selection process has begun for the kitchen renovation; concerns about any temporary disruption associated with the renovation are being addressed to the best of our ability. Various

parking solution options were reviewed and the Committee requested more detailed information on needs and costs. National utility benchmarking data was also reviewed and it was noted that LMH is in the upper 25th percentile of use.

CEO Comments

Gene Meyer reported on the following:

- a) Ava O'Flannigan has been selected to serve as the Director of Quality Services and will begin her new role in early March. The search for a new Director of the Maternal/Child Unit is nearing completion.
- b) Research into digital options for the Board continues with a recent look at a portal available through the Governance Institute which also provides access to other resources.
- c) The recent accreditation survey of our Acute Rehab Unit went well.
- d) A year-end analysis of our service lines is in process.
- e) The Pink Zone game benefiting the LMH Cancer Center and The University of Kansas Cancer Center will be held at 7:00 p.m. Saturday, February 19th. Tickets are available in Human Resources.

Healthcare Reform Readiness

It was requested of the Board that "Healthcare Reform Readiness" be added as a permanent part of the Agenda. A list of key capabilities needed was shared and additional topics were solicited. A general update on the status of Healthcare Reform will also be provided. It was noted that we have already modified our health plan in accordance with Reform and the next goal is Meaningful Use by October.

MOTION: made by Chuck Heath, seconded
by Joe Flannery to approve the addition of
"Healthcare Reform Readiness" as a permanent
Agenda item.

Old Business

- a) Physician Recruitment – Dr. Sherri Vaughn commented on the following:
 - a. Contracts for a new OB/GYN and oncologist are anticipated by the end of the week.
 - b. An Internal Medicine resident has had an offer from a local group.
 - c. Recruiting assistance is being provided to a Family Practice group in search of two new practitioners.
- b) Internal Construction – Jane Maskus reported on the recent move of the I.T. Department and how pleased staff are with the space. Deborah Thompson reported that the Business Health Center will begin seeing patients on February 22 in their new space. It was also reported that community educators will soon be joining staff educators and sharing resources.

New Business

- a) Board Resolution, Results Distribution Integration to Independent Practices – Jane Maskus presented the following resolution:

RESOLVED THAT the Board of Trustees of Lawrence Memorial Hospital (the "Trustees"), at a meeting duly called and held in accordance with Lawrence Memorial Hospital bylaws at which a quorum was present, hereby adopts the following resolution:

WHEREAS, Lawrence Memorial Hospital is an instrumentality of the City of Lawrence, Kansas organized under the laws of the State of Kansas (K.S.A. 12-1615) which has as one of its purposes the

provision of high quality, affordable health care services for the residents of Lawrence, Kansas, and the surrounding area ("Service Area"); and

WHEREAS, to achieve this purpose, Lawrence Memorial Hospital is committed to achieving "meaningful use" of certified electronic health records (as defined by federal statutes and regulations) ("eHR") in all of its inpatient and outpatient departments and hospital-owned physician and rural health clinics, and

WHEREAS, the Trustees have determined it is necessary to provide financial and other technical support to encourage and support independent active Medical Staff members (referred to herein as "Physicians") to achieve meaningful use of eHRs in their practices for Lawrence Memorial Hospital to realize the full benefit of a complete, fully interoperable eHR for the residents of the Service Area.

NOW, THEREFORE, BE IT RESOLVED that Administration is directed to establish a program to make available to Physicians, financial and technical support relating to the meaningful use and maintenance of an eHR, supporting interoperability and data exchange, to the fullest extent permitted under and consistent with the restrictions and conditions imposed by 42 C.F.R. 411.357(w) (the Stark exception for electronic health records), 42 C.F.R. 1001.952 (y) (the Anti-Kickback safe harbor for payments made for electronic health records), and guidance published by the Internal Revenue Service regarding non-profit hospitals' health information technology subsidy arrangements with medical staff physicians.

BE IT FURTHER RESOLVED that such program shall incorporate reasonable safeguards deemed appropriate by Administration to protect Lawrence Memorial Hospital's investment in the development of a fully interoperable eHR for all Lawrence Memorial Hospital patients, and the provision of any financial support to a Physician shall be conditioned on acceptance of and adherence to such safeguards.

An administrative policy defining requirements associated with achieving meaningful use of certified electronic health records will be brought to the Board next month.

MOTION: made by Mike Wildgen, seconded by Chuck Heath to approve the resolution regarding results distribution integration and the achievement of meaningful use of the certified electronic health record.

Executive Session

MOTION: made by Chuck Heath, seconded by Verdell Taylor that the Board of Trustees recess to Executive Session for consultation with the hospital attorney which would be deemed privileged in the attorney-client relationship, to include the CEO, COO, CFO, VP of Physician Division, VP of Medical Affairs and Chief of Staff. The open meeting to resume in this room at 10:15 a.m. Motion carried.

MOTION: made by Joe Flannery, seconded by Chuck Heath that the Board extend the Executive Session to 10:30 a.m. Motion carried.

MOTION: made by Chuck Heath, seconded by Judy Keller that the Board extend the Executive Session to 10:45 a.m. Motion carried.

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MOTION: made and seconded to leave Executive Session.
Motion carried.

The open meeting convened at 10:37 am.

Adjournment

There being no further business, the meeting adjourned.

Respectfully submitted,

Dan Lambert, Secretary