

**LAWRENCE MEMORIAL HOSPITAL
BOARD OF TRUSTEE MEETING MINUTES
May 18, 2011**

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

Others present: Mary Arensberg, Auxiliary President, Audrey Bishop, Associate VP of Physician Division, Karrey Britt, Journal-World Reporter, Melissa Hess, Endowment, Todd Koch, Director of Facilities Management, Allyson Leland, Director of Volunteer Services, LMH Employee Campaign Committee Members: Dianna Bowlin, Pam Brown, Kristy Celis, Lauren Cobb, Megan Green, Jennifer Marshall, Peggy Payne, Debra Schmidt, Angela Waldron, Vicki Wilkerson, Kara Vaglio and Janice Yost.

Absent: Judy Keller, Jane Maskus

Call to Order

The meeting was called to order at 9:06 a.m. by Verdell Taylor, Vice Chairperson.

Approval of Agenda

The Agenda was presented for review and approval.

MOTION: made by Mike Wildgen to approve the Agenda as presented. Motion carried.

Employee Campaign Presentation

LMH Employee Campaign members gave a presentation announcing this year's campaign which is currently underway. The campaign generates funds to support the following priorities: Employee Education, Help & Healing Fund, CARE Fund and, new this year, the Patient Satisfaction and Service Recovery Fund. Since 2002, LMH associates have donated \$488,362 to the Employee Campaign. This year's goal is \$50,000.

Consent Agenda

- a) Board of Trustee Minutes, April 20, 2011
- b) Finance Committee Minutes, April, 2011 and April, 2011 Financials
- c) Planning Committee Report
- d) Community Relations Committee Minutes, May 6, 2011

MOTION: made by Joe Flannery, seconded by Jane Blocher to approve the Consent Agenda.
Motion carried.

LMH Auxiliary Annual Report

Mary Arensberg, Auxiliary President, presented the FY 2010 Annual Report to the Board of Trustees. Volunteers contributed 65,064.23 hours of service to LMH, an FTE equivalent of 31.28 and a salary equivalent of \$1,158,139.00. New volunteer services including Food and Nutrition Ambassadors, the Wayfinder Service and Mario's Closet were highlighted, as well as numerous other services and gifts provided throughout the year. The Trustees expressed their appreciation to the Auxiliary for their dedicated service to LMH.

MEDICAL STAFF – New Appointments:

Board of Trustees Meeting Minutes

May 18, 2011

Page Two

Medical Executive Committee Reports

Dr. Solcher reviewed the recommendations for Board approval:

Richard C. Arnsperger, M.D. – (Active Admitting; Cardiovascular & Thoracic Surgery) Initial appointment period to extend from 5/18/11 through 6/30/12.

Michael J. Beezley, M.D. – (Active Admitting; Cardiovascular & Thoracic Surgery) Initial appointment period to extend from 5/18/11 through 6/30/12.

Jenny Grace Cho, M.D. – (Active Admitting; Cardiovascular & Thoracic Surgery) Initial appointment period to extend from 5/18/11 through 6/30/12.

Daniel P. Connelly, M.D. – (Active Admitting; Cardiovascular & Thoracic Surgery) Initial appointment period to extend from 5/18/11 through 6/30/12.

Kirk A. Hance, M.D. – (Active Admitting; Cardiovascular & Thoracic Surgery) Initial appointment period to extend from 5/18/11 through 6/30/12.

PRIVILEGE and/or STATUS CHANGES AND RESIGNATIONS

Jon Heeb, M.D. – (Active Admitting Staff; Urology) Addition of “Posterior Colporrhaphy & Sacrocolpopexy”

Bonita Siegel, M.D. – (Consulting Staff; Intraoperative Neurology Monitoring) Resignation accepted effective 3/30/11.

Kelly Derganc, ARNP – (AHP Staff; Sponsor: Drs. Brooks and Eaker) Resignation accepted effective 4/15/11.

CONCLUSION of PROVISIONAL THROUGH FOCUSED EVALUATION:

Svjetlana Tisma-Dupanovic, M.D. – Initial Provisional Period – Pediatric Cardiology

Erin Gurss, P.A. – Initial Provisional Period – Allied Health/Anesthesiology

Lori Winfrey, ARNP – Initial Provisional Period – Allied Health/Health Care Access

MOTION: made by Allen Belot, seconded by Chuck Heath to approve the Medical Executive Committee’s Credentials Recommendations.
Motion carried.

CEO Comments

Gene Meyer reported on the following:

- a) The Eudora Clinic Open House went well and staff who attended were thanked for their participation. Andy Ramirez and Todd Koch were also thanked for all of their work on the project.
- b) The Pharmacy Residency Program has achieved a rare 6-year accreditation. Gene recognized the work of Michael Bennett as Program Director as well as the other pharmacists.

Healthcare Reform Readiness

- a) Karen Shumate reported on Lawrence Memorial Hospital’s ongoing efforts toward providing responsible care in order to meet the challenges presented by the Accountable Care Act. With what is known by many as “bending the cost curve”, we have an increased focus on quality, supply chain management, service line evaluations and process/diagnosis-based evaluations. As requested by the Board, a scorecard will be created in order to efficiently highlight the benefits of these efforts. Staff were encouraged to watch for any unanticipated consequences along the way.

Old Business

- a) Physician Recruitment – Dr. Sherri Vaughn reported that a new spine surgeon has agreed to join a local group and will likely begin late summer. Dr. Joy Murphy will begin working part time with Mt. Oread Family Practice in several months. A gastroenterology fellow and pulmonology fellow have shown interest in practicing in Lawrence and recently interviewed at LMH.

New Business

- a) The Governance Committee has recommended that Allen Belot replace Dan Lambert as Secretary of the Board of Trustees.

MOTION: made by Joe Flannery and seconded by Chuck Heath that Allen Belot fill the unexpired term left vacant by Dan Lambert. Motion carried.

- b) Tour of New Laboratory Facilities – deferred.

Announcements - None

Executive Session

MOTION: made by Chuck Heath 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, Compliance Officer and Chief of Staff. The open meeting to resume in this room at 11:30 a.m. Motion carried.

MOTION: made by Mike Wildgen and seconded by Chuck Heath that the Board extend the Executive Session to 11:45 a.m. Motion carried.

THEREAFTER: The open meeting resumed.

MOTION: made by Mike Wildgen, seconded by Joe Flannery to move forward with negotiation and signing the agreement to affiliate with the Internal Medicine Group of Lawrence contingent upon acceptable language in the lease, transition and employment agreement. Motion carried.

MOTION: made by Chuck Heath, seconded by Mike Wildgen to direct the hospital attorney to amend the CEO's employment agreement consistent with the Trustees' instructions, to include a 2.5% increase in the base compensation effective May 21, 2011, and authorize the Chair and hospital's attorney to communicate the Trustees' evaluation of the CEO's performance and new contract to the CEO. The motion carried.

Board of Trustees Meeting Minutes
May 18, 2011
Page Four

Adjournment

There being no further business, the meeting adjourned.

Respectfully submitted,

Allen Belot, Secretary