

BOARD OF TRUSTEES MEETING MINUTES
August 19, 2020

Members present via Zoom: Cindy Yulich (Chair), Larry McElwain (Vice-Chair), Bob Moody (Treasurer), Beth Llewellyn (Secretary), Tom Sloan, Pat Miller, Jim Brooke, Dr. Marc Scarbrough, Rob Chestnut, Dr. Lee Reussner, Dr. Jim Mandigo, Russ Johnson, Sheryle D'Amico, Traci Hoopingarner, Janette Kirkpatrick, Deb Cartwright, Brian Bradfield, Colleen Browne, Michael Williams, Rebecca Smith, Jared Abel and Andy Ramirez (Hospital Counsel)

Other attendees via Zoom: Danae Johnson, Christine Reed, Amy Northrop, Autumn Bishop, Dr. Sheri Vaughn, Chad Lawhorn (LJ World).

Call to Order

The meeting was called to order at 8:35 a.m.

Opening Statement

The following opening statement was read by Danae Johnson, Director – Executive Administration:

“Good morning. Thank you for joining the LMH Health Board of Trustees meeting. Before we get started, we’d like to outline a few important procedural details for this meeting:

- LMH Health Board of Trustees welcomes community feedback on policies and issues affecting its clinics and the hospital. In order to ensure time is used efficiently, we will not take public comments during the meeting. However, comments may be shared with board members in a number of different ways, including the comments section of our webpage, by emailing trustees@lmh.org, by calling 785-505-6138, or by contacting individual trustees with the contact information listed on our website at lmh.org.
- During the meeting, each meeting participant will identify themselves using their first and last name prior to commenting.
- Roll call will be taken for voting on each item requiring board action.
- If members of the public wish to obtain meeting materials, please email trustees@lmh.org or call 785-505-6138.
- We may be having an executive session at this meeting. At the appointed time, and if needed, the Board Chair will call for a motion to enter into executive session. This motion will include the time that the open session of the meeting will resume. Executive session is reserved for Trustees and Hospital Executives only. Everyone else will be asked to leave the meeting during executive session and is welcome to return to the meeting when open session resumes.”

Approval of Agenda and Consent Agenda

The agenda for the August 19, 2020 meeting and consent agenda (see below) were presented for review with approval requested.

- The following were presented for approval as part of the consent agenda:
 - Board of Trustees meeting minutes, Jul. 15, 2020
 - Finance Committee meeting minutes, Aug. 17, 2020
 - Medical Executive Committee recommendations:

MEDICAL STAFF & ALLIED HEALTH PROFESSIONAL STAFF - New Appointments:

Valeria Higinio, MD (Active Admitting; Pediatric Hospitalist) – Initial appointment 8/19/2020 not to exceed 2 years.

William Lafoe, MD (Active Admitting; Internal Medicine/Cardiology) – Initial appointment 8/19/2020 not to exceed 2 years.

Robert Davis, CRNA & Zachary Wright, CRNA (AHP; Sponsors: Lawrence Anaesthesia) - Initial appointment 8/19/2020 not to exceed 2 years.

MEDICAL & LMH EMPLOYEE/ALLIED HEALTH PROFESSIONAL STAFF – Reappointments:

Carl Anschutz, MD (Active Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Robert Beck, MD (Active Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Matthew Carey, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Loree Cordova, MD (Active Non-Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Cathy Dahl, DO (Active Admitting; OBGYN) – Reappointment 9/1/20 not to exceed 2 years.
Steven Dillon, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Warren Frick, MD (Consulting; Pediatrics) – Reappointment 9/1/20 not to exceed 2 years.
Emily Heronemus, DO (Active Non-Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Jessica Howlett, MD (Consulting; Pediatrics) – Reappointment 9/1/20 not to exceed 2 years.
Kevin Hughes, MD (Active Non-Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Molly Imber, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Larisa Kimuri, MD (Active Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Hallie Kretsinger, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Cathy Shaffia Laue, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Michael Mulhern, MD (Active Admitting; Surgery) – Reappointment 9/1/20 not to exceed 2 years.
Toni Reynolds, MD (Active Admitting; Emergency Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Jean Schrader, MD (Active Non-Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Dan Severa, MD (Active Non-Admitting; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.
Rebecca Smith, DO (Active Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Kevin Stuever, MD (Active Non-Admitting; Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Holly Dunoon, APRN (LMH Employee; OBGYN) – Reappointment 9/1/20 not to exceed 2 years.
Ryan Fleming, PA (LMH Employee; Surgery) – Reappointment 9/1/20 not to exceed 2 years.
Kara Joice, PA (Allied Health; Emergency Medicine) – Reappointment 9/1/20 not to exceed 2 years.
Mallory Larkin, PA (Allied Health; Surgery) – Reappointment 9/1/20 not to exceed 2 years.
Andrew Scheer, PA (LMH Employee; Surgery) – Reappointment 9/1/20 not to exceed 2 years.
Crystal Stevens, APRN (LMH Employee; Family Practice) – Reappointment 9/1/20 not to exceed 2 years.

PRIVILEGE &/or STATUS CHANGES & RESIGNATIONS:

Dr Joseph Harvey, DDS (Consulting; Oral Maxillofacial Surgery) – Resignation effective 7/1/2020.
Stanley Hornbaker, MD (Active Admitting; IM/Hospitalist) – Resignation effective 9/1/2020.
Mark Taylor, DPM (Active Admitting; Surgery) – Resignation effective 7/17/2020.
Kayla Fritchey, CRNA (AHP; Lawrence Anaesthesia) – Resignation effective 8/15/2020.
Vascular Surgeons: Drs. Hance, Arnspiger, DeCamp, Cho & Thors – Request staff status change to Active Non-Admitting.

MOTION to approve the agenda and consent agenda as presented
Made by Tom Sloan,
Seconded by Rob Chestnut.
Motion carried.

Chairperson of the Board Report

- No report.

Chief of Staff Report

- Jim Mandigo, MD emphasized how important clear communication is between medical staff and administration especially related to contract negotiations, strategic relationship planning and CMO discussions. Provider engagement is a two-way street and he would like to see continued focus on this by both administration and the medical staff.

CEO Report

- Russ Johnson, President and CEO, thanked Dr. Mandigo for his comments and reviewed the plan to form physician advisory committees on strategic relationship planning and CMO discussions. He also reported that he was very proud of the work that the LMH team has done with the community, the university and other organizations. LMH has been involved in testing 4500 university staff which has gone smoothly with short wait times for those being tested. In addition, Mr. Johnson reported that twelve surgeons participated in a prospectus meeting at the new LMH West surgery center to learn how they could become investors in the surgery center. He recognized Dr. Scott Thellman for his integral part in making the LSC / LMH partnership a success.
- **Hospitalist / ED Contract negotiations:** Mr. Johnson and Traci Hoopingarner, VP Clinical Care and CNO, provided an update on the contract process for hospitalist and Emergency Department (ED) professional services.
 - Mr. Johnson shared the principles that have guided the LMH Health team during these discussions over the last few months—people first, provider engagement, clinical excellence, and financial stewardship. He reminded the board that he added a fifth principle -- loyalty and community. He emphasized the balance that leadership has to strike between the responsibilities to be thoughtful stewards of the hospital with valuing loyalty, longevity and community.
 - Mr. Johnson reported that LEMA has requested that the hospitalist services be provided under a separate agreement with direct employment by LMH Health. As such, LMH Health has entered into negotiations for employing the hospitalist physicians and advanced practice providers. After revenue is accounted for, this arrangement will result in an annual investment of \$2.7 million, but Mr. Johnson said he believed this was the right approach for the community.
 - Mr. Johnson reported that separate negotiations continue with Dr. Scott Robinson and LEMA surrounding emergency services. Mr. Johnson explained that while there are bound to be differences during any negotiation, he believes LMH Health and LEMA are in agreement on the major elements of the contract and the remaining issues can be worked through favorably.
 - Mr. Johnson shared with the board an overview of areas under discussion, including LMH Health's agreement to provide a \$600,000 annual financial subsidy to support emergency room services and a \$500,000 transition loan to LEMA—both transactions are meant to enable a successful transfer of billing responsibilities from LMH Health to LEMA. The parties have also targeted a three-year term for emergency services.
 - LMH Health and LEMA will continue to discuss a number of areas, including the length of termination notice for the contract and financial responsibility for a medical director for the practice. Additionally, in the interests of care continuity and supporting the providers' ability to continue working at LMH Health, LMH Health has proposed it have the opportunity to hire LEMA providers who wish to remain at the hospital should the contract come to a close.
 - Mr. Johnson reported that both LMH Health and LEMA have agreed that the arrangement must protect our patients, continue our quality of service and ensure fair and accurate billing of patients. Mr. Johnson stated there is a lot of concern over balance billing sometimes referred to as "surprise billing" which happens when a provider does not participate in a specific insurance program because they aren't able to agree on terms. This can result in surprise billing, where the patient gets a bill for the entire provider charges, because the provider is not getting paid by the insurance company. Those bills can be very high.

- Mr. Johnson stated that Dr. Robinson is also committed to ensuring that their services are covered fairly by the health plans so that patients don't receive bills above their copay and deductibles that they normally expect. Mr. Johnson expressed confidence that they will reach an agreement.
- Bob Moody, LMH Health Trustee, expressed his appreciation for LMH Health's focus on the organization's charitable responsibility.
- Board members discussed the terms of the proposed loan and the relative uncertainty created by the COVID-19 pandemic and suggested consideration of a shorter contract. They also stressed the importance of open dialog and disclosure of LEMA's operations in order to ensure hospital funds are being used according to the terms of the agreement, as well as the need to see the subsidy decline over time.
- The Trustees also commented on the relative risks the hospital may take on in this arrangement with LEMA. Mr. Johnson stated that while nearly every hospital subsidizes its hospitalist service, many hospitals do not provide a subsidy for emergency room services.
- Mr. Johnson stated that as the hospital navigates the next steps, they are proceeding in good faith and that he believes we will find a mutually agreeable arrangement that centers on what's best for our patients and community.
- **Contract Review Responsibilities:** Janette Kirkpatrick, VP of Clinical Excellence, briefly reviewed the hospital's contract and policy review process as well as the corresponding responsibilities of Trustees.
- **Hospital-Based Physician Contract Review Process:** Mr. Johnson reported that he and Ms. Hoopingarner, based on feedback related to the recent hospitalist and ED contract negotiations, have been working on a document that formalizes and outlines the process for hospital-based physician contract review. They have already taken it to the MEC several times and are incorporating their feedback. He will take it back to MEC in September for their final review and bring it to the Trustees in September for their approval.

Discussion Items

- Board decisions compendium: Pat Miller, Trustee, asked that a searchable document or database be created to capture all major decisions made by the Board. She would like to have all major motions related to those decisions captured as well. Administration will work on building this for the Board's future reference.

Executive Session to discuss matters with legal counsel

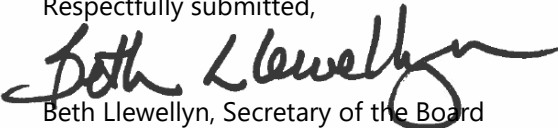
- After a brief discussion, the Board elected to waive executive session and discuss the items in executive session at a future board meeting.

Adjournment

With no further business presented, a motion was made to adjourn the meeting at 10:35 a.m.

MOTION made by Bob Moody,
Seconded by Beth Llewellyn.
Motion carried.

Respectfully submitted,

A handwritten signature in black ink that reads "Beth Llewellyn".

Beth Llewellyn, Secretary of the Board