

# Bartlett Regional Hospital

## Minutes

### BOARD OF DIRECTORS MEETING

July 27, 2021 – 5:30 p.m.

Zoom videoconference – Virtual Attendance Only

**CALL TO ORDER** – Meeting called to order at 5:30 p.m. by Kenny Solomon-Gross, Board President

#### BOARD MEMBERS PRESENT

Kenny Solomon-Gross – President	Rosemary Hagevig, Vice-President	Mark Johnson, Secretary
Brenda Knapp	Lance Stevens	Deborah Johnston
Lindy Jones, MD	Hal Geiger	

**ABSENT** – Iola Young

#### ALSO PRESENT

Rose Lawhorne, CEO	Kevin Benson, CFO	Kim McDowell, CNO
Dallas Hargrave, HR Director	Vlad Toca, COO	Bradley Grigg, CBHO
Barbra Nault, Legal Advisor	Joy Neyhart, DO	Loren Jones, CBJ Assembly
Anita Moffitt, Executive Assistant	Greg Merrill	Collin Hart
Michael Campbell	Jeff Rogers	Mignon Benjamin, MD
Kris Muller	Kayla Mount	Matthew Wilscott

**APPROVE AGENDA** – Mr. Solomon-Gross requested the following changes to the agenda to: Under Executive Session, item B - Personnel Matters is to be moved ahead of Item A - Campus Planning. Under Committee reports, item C - Finance Committee is to be moved to item A and item E - Governance Committee will be moved to item B. ***MOTION by Ms. Knapp to approve the agenda as amended. Ms. Hagevig seconded. There being no objections, agenda approved as amended.***

**PUBLIC PARTICIPATION** – None

**CONSENT AGENDA** - ***MOTION by Ms. Hagevig to approve the consent agenda as written. Mr. Johnson seconded. There being no objection, the June 22, 2021 Board of Directors meeting minutes and the May 2021 Financials approved.***

**EXECUTIVE SESSION** – ***MOTION by Mr. Stevens to recess into executive session as written in the agenda to discuss several matters:***

- *To discuss information presented that the immediate knowledge of which would clearly have an adverse effect upon the finances of BRH; that being a discussion about campus planning. (Unnecessary staff and Medical Chief of staff are excused from this portion of the session.)*

*And*

- *To discuss matters that the immediate knowledge of which would defame or prejudice the character or reputation of any person, specifically employee personnel matters. (Unnecessary staff and Medical Chief of staff are excused from this portion of the session.)*

*And*

- *Those which by law, municipal charter, or ordinance are required to be confidential or involve consideration of records that are not subject to public disclosure, specifically the credentialing report, Medical Staff Meeting minutes and the patient safety dashboard.*

*And*

- *To discuss possible BRH litigation, specifically a candid discussion of the facts and litigation strategies with the BRH attorney. (Unnecessary staff and Medical Chief of staff are excused from this portion of the session.)*

**Ms. Knapp seconded.** The Board entered executive session at 5:34 p.m. and returned to regular session at 6:51 p.m.

***MOTION by Ms. Hagevig to approve the credentialing report as presented. Mr. Johnson seconded. There being no objections, credentialing report approved.***

***MOTION by Ms. Hagevig that the Board accept the work that has been done on the new CEO's goals and objectives for the next year and requests unanimous consent. Mr. Johnson seconded. There being no objection, Fiscal Year 2022 CEO goals and objectives approved.*** Ms. Hagevig and Mr. Solomon-Gross thanked everyone for their hard work.

## **NEW BUSINESS**

**Property Purchase – 1701 Salmon Creek Lane – *MOTION by Ms. Johnston that BRH requests the Assembly to approve a bond up to \$15 million dollars that will allow BRH to fund the purchase of the Radiation Oncology property located at 1701 Salmon Creek Lane and for use in funding the proposed Emergency Department renovations and any other capital improvements deemed necessary.*** Ms. Hagevig seconded. Mr. Solomon-Gross would like to add to the *MOTION* to say ***for Emergency Department renovations and any other future purchases of property or any other needs*** for that \$15 Million bond. Ms. Hagevig, as the second, accepts the amendment. She also stated for public record, the plan for this purchase is a lease back agreement with the Radiation Oncology clinic which will result in revenue for BRH.

Mr. Solomon-Gross stated Jeff Rogers from CBJ and Collin Hart from the Oncology group are in attendance to speak about the sale of this property. Mr. Hart identified himself as a representative of the owners of the Southeast Radiation Oncology clinic. For purposes of discussion, he confirmed that we are talking about a sale and lease back transaction. The goal of the transaction is that BRH will acquire the building but the practice will continue to operate uninterrupted. Mr. Stevens noted this a triple net lease not a straight rental agreement. It has provisions for maintenance and repairs meaning costs can be passed on to the tenant in proportion of their share of the building.

Mr. Rogers discussed the bond process and identified the bond being discussed as a revenue bond. CBJ's charter does not require revenue bonds to go out to a public vote but the Assembly would need to pass an ordinance authorizing the bond sale. He reported that PFM Financial Advisors was used to conduct a bond cost analysis and that conversations have begun about issuing the debt independently or using the Alaska Municipal Bond Bank. Ms. Hagevig initiated a discussion about time limits to expend the proceeds of this bond transaction. Mr. Rogers confirmed the wording of the motion sounds correct but the improvement

projects will need to be identified before the bond is issued. Mr. Benson questioned whether the motion made is what BRH really wants to do based on his discussions with Mr. Rogers and the financial advisors. BRH may want to use bond funds for projects that are not taxable. He noted that 83% of the Oncology clinic is occupied by a taxable entity meaning that 83% of the bonds issued for that operation would not be subject to tax exempt rates. He proposed separating the motion to make one for the appropriation of the purchase of the building and then a second, separate motion asking for authorization of bonding for up to \$15 Million for campus improvements understanding that we will need to identify specific projects. Mr. Rogers stated that it is more expensive to get debt on a taxable project. Because BRH's intention is to lease this building to a private for profit organization, that portion would receive taxable interest rates under the law. The hospital has some flexibility because of the size of its fund balance. He suggested BRH may want to use the fund balance for the purchase of the Radiation Oncology property. This will result in a slightly better interest rate resulting in a cost savings.

Mr. Stevens summarized that we have committed funds for projects currently underway. We could reallocate those funds for the purchase of the Oncology Clinic and use bonding funds for the Crisis Stabilization Unit and the ED renovations. The projected cost of the Crisis Stabilization Unit is between \$12.5 and \$13 Million. We have approximately \$3 Million in donated funds dedicated to this project bringing our cost to about \$10 Million. The estimated cost of the ED renovation is about \$5 Million. A \$15 Million bond would be a good way to cover these projects. Mr. Rogers agreed with Mr. Stevens' summary and Mr. Benson's proposal.

Ms. Johnston rescinded the Motion on the floor. Ms. Hagevig seconded.

***MOTION by Ms. Johnston that the BRH Board request bond funding of up to \$15 Million to fund the planned Emergency Department renovation as well as the Crises Stabilization building project currently underway. We will use the funds set aside for these projects in the fund balance to fund the purchase of the Radiation Oncology property. Ms. Hagevig seconded.*** In response to Mr. Johnson's questions, Mr. Rogers stated that shifting funding should not cause delays in the construction of the Crisis Stabilization building and Mr. Benson stated the Oncology property cost is about \$7.5 Million dollars. ***There being no objections, MOTION approved.*** Mr. Solomon-Gross thanked Mr. Hart and Mr. Rogers for their participation in tonight's meeting and then everyone for their hard work.

**Hospital vaccination Policy** – Ms. Lawhorne stated that many entities in healthcare are pushing for a mandatory vaccination of healthcare workers. The Delta variant of COVID is growing and is in Juneau. Nearly 90% of BRH employees are vaccinated, and while she believes in vaccinations, she is hesitant to mandate something that takes away the rights of an individual in a profession where informed consent is a core tenet of what we do. There is currently a law in the state of AK that allows for personal objections to the administration of the COVID 19 vaccine. It gives exceptions to individuals that choose not to receive a vaccine based on personal preference or concerns, religious preference or medical issues. Additionally, because it is an Emergency Use Authorization, there is growing legal actions against facilities that are mandating it. We know that masks are effective at preventing the spread of the virus and she advocates for creating a mandate that allows for vaccination or masking with testing as directed by our colleagues at the state and CDC guidelines. She participated in a press conference today with other CEOs and ASHNHA. They are all advocating for people to get vaccinated and responding to questions that that pertain to hesitancy in getting the vaccination. Dr. Jones appreciates where Ms. Lawhorne is coming from but has a different opinion about mandating vaccines. Many hospitals around the country have mandated vaccination. He stated there is no hospital in Alaska or Seattle to send really sick COVID patients to. He appreciates

personal freedom but when it impacts other people's wellbeing, he feels that mandates are warranted. He also reported some staff have expressed that it is unfair for them to work with unvaccinated staff and feels that the right stand for BRH is to mandate vaccinations of all staff. Mr. Johnson agreed and said that unless the law prevents us from doing so, we should mandate vaccines. Ms. Lawhorne reported that Robert Palmer is looking into the legalities. Mr. Geiger initiated discussion about having a policy that requires everyone to have a vaccine and requiring an administrative appeal to justify themselves should they decline to get one. Discussions would need to be held with the Union. Language from the Alaska Statute passed in April 2021 states that individuals may object to the administration of the vaccine and a person cannot require an individual to provide justification or documentation to support the individual's decision to decline a vaccine. Mr. Geiger stated that he agrees with Dr. Jones but it is not practical to mandate vaccination. Ms. Knapp supports Dr. Jones' position. She wonders if it is possible through ASHNHA, to try to seek an exemption in the law for healthcare providers so as to not expose vulnerable patients to unvaccinated staff. Mr. Stevens expressed concerns that we can't state something we can't enforce or we would be providing the public with false information. Ms. Lawhorne identified the law she referenced as Section 17 of House Bill (HB) 76. Dr. Jones noted that healthcare organizations around the country are mandating vaccination and to say we can't legally do this without legal representation may not be doing our due diligence if we want to pursue this. Ms. Nault has not had a chance to look at it but it does appear that in the HB referenced, there is a provision related to personal objections to the administration of COVID 19 vaccines. (This is in the context of a larger bill that was extending the public health disaster emergency providing for things like telehealth and other COVID related provisions.) For purposes of clarification, she noted this bill did pass in April. Her preliminary opinion is that if BRH passes a mandate that doesn't acknowledge that there is this statutory provision mechanism, there is a potential that BRH could face a challenge on that basis. She will defer to Mr. Palmer to provide a more in depth analysis. Ms. Hagevig supports the idea of making public record of unvaccinated employees. Ms. Nault obtained confirmation from Ms. Lawhorne that there is a prohibition on asking for justification for declining the vaccine and expressed a need to be very cautious about adhering to that prohibition on asking. Ms. Hagevig asked about BRH's exposure if an unvaccinated staff member transmits COVID to a patient. Ms. Nault stated that is a basis of liability that will be explored and is being explored by other entities across the country. Mr. Stevens stated that we need a well-crafted policy that must include input from Legal and Human Resources personnel to make sure we are not creating something that puts us in a quandary. Mr. Solomon-Gross observed that the next committee meeting is the August 5<sup>th</sup> Compliance Committee meeting. He suggested adding a quick Board of Directors meeting on the same date if a policy could be drafted before that and made available for approval. Mr. Johnson asked if we could legally force unvaccinated staff to be tested regularly. Ms. Nault will look into this and provide direction to the Board via email. Dr. Jones appreciates everyone listening to his opinion on this issue and is happy to work with legal to come up with something that will work to keep our hospital and community safe. Mr. Solomon-Gross said he and Ms. Lawhorne will work with Human Resources, Legal and Dr. Jones to try to craft something by August 5<sup>th</sup> for the Board to vote on. Ms. Johnston suggested if this cannot be completed by August 5<sup>th</sup>, we could try for August 13<sup>th</sup> when the Finance Committee is scheduled to take place.

Mr. Solomon-Gross asked for another amendment to the agenda since Ms. Knapp needs to leave.

***MOTION by Mr. Stevens to move the Medical Staff report after the committee reports. Ms. Knapp seconded. MOTION approved.***

#### **COMMITTEE REPORTS:**

**Finance Committee Meeting** – Draft minutes from the July 9<sup>th</sup> meeting are in the packet. Ms. Johnston reported that the minutes accurately reflect the content discussed at the meeting. She drew attention to the \$836,000 cash in non-operating revenue received due to changes in the general and professional liability insurance carrier. Premiums with the new insurance carrier will have an increase of 12% over last year. Norcal premiums were to increase by 30%. Dr. Neyhart observed that self-insured providers can probably expect an increase in their Norcal premiums as well.

**Governance Committee Meeting** – Draft minutes from the July 16<sup>th</sup> meeting are in the packet. Ms. Knapp reported that they had agreed to look at available webinar options for board education. There doesn't seem to be much available at this time so this topic has been put on hold until after the October Leadership conference where some guidance may be obtained. The recent board self-evaluation may provide guidance on areas where training is needed. Results of the evaluation will take about two weeks to be compiled. A special meeting may be held for the Board to hear the evaluation results. As this is a new evaluation process, benchmarks comparing BRH to other facilities will be unavailable until a minimum number of surveys are conducted. Benchmark results are anticipated to be available this fall.

**Joint Conference Meeting** – Draft minutes from the June 23<sup>rd</sup> meeting are in the packet. Mr. Solomon-Gross reported that these meetings of the Medical Staff Executive and Board Executive committees will be held quarterly.

**Planning Committee Meeting** – Draft minutes from the July 2<sup>nd</sup> meeting are in the packet. Mr. Stevens reported that there were updates given on projects that are being worked on right now. There should not be much of an impact to the final completion date of the Crisis Stabilization building by adding an additional floor. The ED renovations will probably be the next high priority project to be taken on.

**Board Quality Committee Meeting** – Draft minutes from the July 14<sup>th</sup> meeting are in the packet. Ms. Hagevig reported that the minutes accurately report what had been discussed.

**Mr. Solomon-Gross called for a brief recess.** The meeting recessed at 7:57pm and resumed at 8:00pm.

**MEDICAL STAFF REPORT** – Dr. Neyhart reported that a bylaw revision pertaining to medical students and residents had been presented for a second reading and approval at the July 6<sup>th</sup> Medical Staff Meeting. Ms. Nault alerted the Board that this would be a very significant change from the current process that the hospital follows for medical residents in particular. It would be Ms. Nault's expectation that if this bylaw change is approved, it could negate the policy currently being developed through the Medical Staff office. She recommends that the Board get a better understanding of why the medical staff would adopt a policy that would exclude credentialing of, among others, medical residents and possibly explore other options that wouldn't eliminate protections in the current policy. In response to Mr. Solomon-Gross, Dr. Neyhart stated that she is unsure where this bylaw revision came from and asked who drafted it. Ms. Lawhorne thought it came out of Medical Staff Executive Committee through their legal representation and it sounds like there are complicating factors with the language as written. Ms. Nault will drill down and find the source of this document. Mr. Johnson and Ms. Johnston are in agreement that this needs further investigation and Mr. Geiger wondered what other hospitals use. Dr. Neyhart and Dr. Jones are unsure why it came to the Board at this time and suggests it go back to Ms. Kesselring to obtain clarification.

**MANAGEMENT REPORTS:** Management reports are in the packet. Mr. Solomon-Gross and Mr. Johnson expressed appreciation that the success stories of the community navigator program are included in the CBHO report. No other comments or questions.

**CEO REPORT/STRATEGIC DISCUSSION** – Ms. Lawhorne stated her written report is in the packet and her strategic discussions were already held. She thanked the Board for approving the purchase of the Radiation Oncology property and the bond motion presented.

**PRESIDENT REPORT** – Mr. Solomon-Gross has been meeting weekly with Ms. Lawhorne and sometimes with Mr. Hargrave. He noted that part of the process of bringing on the new CEO is providing her a coach. She will be meeting off-campus with the coach in October. Mr. Solomon-Gross and Ms. Lawhorne are working on a process of onboarding new BOD members.

**BOARD CALENDAR** – August calendar reviewed. Mr. Stevens will be unavailable on August 20<sup>th</sup> and the 24<sup>th</sup>. The next Planning Committee meeting will be postponed until September 3rd. Mr. Solomon-Gross will not be here for the August Board of Directors meeting and discussion was held about trying to reschedule it. Due to conflicts for each date proposed, it was determined not to move the meeting. Ms. Hagevig will chair the meeting. ***MOTION by Ms. Hagevig to adopt the calendar as amended. Mr. Stevens seconded. There being no objection, calendar approved as amended.***

**BOARD COMMENTS AND QUESTIONS** – None

**ADJOURNMENT:** 8:22 p.m.

**NEXT MEETING:** 5:30 p.m. – Tuesday, August 24, 2021