

**LAWRENCE MEMORIAL HOSPITAL
BOARD OF TRUSTEE MEETING MINUTES
May 15, 2013**

Present:

Allen Belot	Gene Meyer	Sherri Vaughn, MD
Mike Wildgen	Karen Shumate	Andy Ramirez
Jane Blocher	Joe Pedley	
Chuck Heath	Sheryle D'Amico	
Rob Chestnut	Dana Hale	
Lee Reussner, M.D.	Kathy Clausing-Willis	
Gina Pacumbaba-Watson	Carolyn Bowmer	
Joe Flannery	Janice Early	
Cindy Yulich		

Others present: Audrey Bishop, Associate Vice President, Physician Division; Proctor Crow, Auxiliary Vice President, Erika Dvorske, President/CEO United Way of Douglas County; Lesa Frantz, Principal, Pinckney Elementary; Marie Galluzzi; Shelly Hornbaker, United Way, Roger Hill Volunteer Center Coordinator; Joanne Hurst, Volunteer; Roland Hurst, Todd Koch, Dir., Facilities; Chad Lawhorn, *The Lawrence Journal World*; Allyson Leland, Dir. Volunteer Services; Susan Thomas, Dir., Compliance; Michelle Dreiling, Admin.

Call to Order

The meeting was called to order at 9:10 a.m. by Chairperson Allen Belot.

Approval of Agenda

The Agenda was presented for review.

MOTION: made by Mike Wildgen,
and seconded by Chuck Heath to approve
the agenda as presented. Motion carried.

Recognition

Former Trustee Joanne Hurst was presented with the 2013 Wallace Galluzzi Lifetime Achievement Award. Mrs. Hurst has served two terms on the LMH Board and has held various volunteer roles and Auxiliary positions here in the past ten years.

Retiring Pinckney Elementary School Principal Lesa Frantz was recognized for her seventeen years in that role during which time the school has been a Lawrence Education Achievement Partner with Lawrence Memorial Hospital. Ms. Frantz has been instrumental in fostering our mutually beneficial relationship with Pinckney Elementary.

Consent Agenda

- (a) Board of Trustee Minutes, April 17, 2013
- (b) Planning Committee Report
- (c) Finance Committee Report and April, 2013 Financials

MOTION: made by Joe Flannery, seconded
by Rob Chestnut to approve the Consent
Agenda as presented. Motion carried.

Annual Auxiliary Report

Proctor Crow, Auxiliary Vice President, reviewed last year's activities and reported that volunteers contributed more than 65,000 hours of service in 2013, an FTE equivalent to 31 and a salary equivalent to \$1,200,726. Gift Shop sales increased by 12 percent over the previous year. The Auxiliary received the Gold Award for Excellence from the Hospital Auxiliaries of Kansas in November, 2012. The Trustees thanked Mr. Crow and all of the volunteers for their work and complimented them on their achievements.

Medical Executive Committee Recommendations

Gina Pacumbaba-Watson reviewed the recommendations from the Medical Executive Committee for Board approval:

Medical Staff – New Appointments:

Bonnie J. Cramer, MD – (Active Non-Admitting; Family Practice) Initial appointment period to extend from 5/15/13 to 1/1/15.

Benjamin J. Newell, MD – (Active Admitting; Anesthesia) Initial appointment period to extend from 5/15/13 to 1/1/15.

Allied Health Professional – New Appointments:

Allison M. Veeder, APRN – (Allied Health Professional; sponsor: Dr. Goering) Initial appointment period to extend from 5/15/13 to 7/1/14.

Justin P. Kelley, PA – (Allied Health Professional; sponsors: Lawrence Emergency Medicine Physicians) Initial appointment period to extend from 5/15/13 to 1/1/15.

Conclusion of Provisional through Focused Evaluation:

Melissa Kalb, MD – Initial and for addition of vaginal deliveries.

Jon Heeb, MD – Addition of robotic surgery.

Brendan Farrell, DDS – Initial.

Tracy Hill, APRN – Initial.

Privilege and/or Status Changes and Resignations:

Mary Pat Lange, MD – Addition of femtosecond laser assisted cataract surgery.

Melissa Kalb, MD – Addition of vaginal deliveries.

Vance Burns, MD – Resignation effective 3/31/13

Lisa Pazdernik, MD – Resignation effective 4/26/13

Jill Blosser, RN – Resignation effective 3/21/13

MOTION: made by Rob Chestnut, seconded
by Cindy Yulich to approve the Medical Executive
Credentials Recommendations as presented.
Motion carried.

CEO Comments:

- Gene Meyer reported that the Centers for Medicare & Medicaid recently released charge data for hospitals which has led to national and regional media coverage about price determinations and variations. Lawrence Memorial Hospital compares favorably to other hospitals and continues to be at the lower end of those charges. It was also noted that what hospitals charge is not reflected in what is actually paid by Medicare and Medicaid.
- St. Joseph and St. Mary's Medical Centers in the Kansas City area are being purchased by HCA Midwest Health System. Liberty Hospital will lay off 129 employees and closing some services.
- Mr. Meyer thanked Karen Shumate, Janice Early, and the Picture Committee for their work on the LMH Gallery, and invited the Board to submit their photos for future rotations.

Health Care Reform Readiness

- Joe Pedley, Chief Financial Officer, shared information regarding the federal health insurance exchange which will be used by Kansas residents instead of a state exchange. The federal exchange, or Health Insurance Marketplace, will have premiums that may vary based on age, geographic location and tobacco use. Tax credits for households with incomes of 138-400 percent of the federal poverty level will be available. Open enrollment will begin in October and offerings in the Health Insurance Marketplace will be limited during the first year. We have been working on a public education campaign to encourage patients to choose a plan that includes LMH and will host a meeting this month for physicians and practice administrators to talk through what the exchange will mean for practices.

Old Business

- a) **Physician Recruitment Activity** – Dr. Sherri Vaughn, VP Medical Affairs, shared with the Board that a new neurologist has committed to Lawrence Neurology Specialists though his start date has yet to be determined.

A vascular surgeon, an endocrinologist and an ob-gyn have expressed interest in practicing at LMH, and we have extended a contract to an oncologist.

- b) **Approval of Financing Proposal** – Chuck Heath brought forth a financing proposal from the Finance Committee of the Board.

RESOLUTION OF THE BOARD OF TRUSTEES OF THE LAWRENCE MEMORIAL HOSPITAL AUTHORIZING THE PREPARATION OF BOND DOCUMENTS FOR THE BENEFIT OF THE LAWRENCE MEMORIAL HOSPITAL, THE PREPARATION AND EXECUTION OF CERTAIN REDEMPTION DOCUMENTS, AND CERTAIN RELATED ACTIONS

WHEREAS, the Board of Trustees (the “Board”) of the Lawrence Memorial Hospital (the “Institution”) desires that the City of Lawrence, (the “City”) issue one or more series of bonds (the “Series 2013 Bonds”) to finance, refinance and reimburse the costs of certain health facilities of the Institution.

WHEREAS, the Board desires to effect the redemption of the outstanding City of Lawrence, Kansas Hospital Revenue Bonds Series 2003 (The Lawrence Memorial Hospital) (the “Series 2003 Bonds”) issued by the City on October 14, 2003 for the benefit of the Institution.

WHEREAS, the final terms of the Series 2013 Bonds shall be subject to approval by the Board of Trustees of the Institution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE LAWRENCE MEMORIAL HOSPITAL, AS FOLLOWS:

Section 1. The Board hereby authorizes the officers of the Institution to request that the City issue the Series of 2013 Bonds.

Section 2. The Board hereby authorizes the officers of the Institution, Piper Jaffray & Co., as placement agent, and Gilmore & Bell, P.C., as bond counsel, to proceed with preparation of documents relating to the Series 2013 Bonds and the redemption of the Series 2003 Bonds.

Section 3. The Board hereby authorizes any of the Chairperson, Vice-Chairperson, President and Chief Executive Officer and Chief Financial Officer of the Institution to execute, enter into, deliver and, where necessary, record, documents for the redemption of the Series 2003 Bonds, including any redemption notices, instructions, certificates and other documents, and to effect the transfer or deposit of any necessary funds in connection with the redemption of the Series 2003 Bonds.

Section 4. This Resolution shall be in full force and effect from and after its adoption by the Board of Trustees.

APPROVED: Motion made by the Finance Committee to adopt the financing proposal was seconded by Joe Flannery. Motion carried.

- c) **Wellness Focus Group Report** – Karen Shumate, Chief Operating Officer, reported that four Wellness Feasibility Study Focus Groups have taken place which gathered feedback from community members, healthcare leaders, physicians, employees and our board members. A preliminary report will be given to the trustees next month.

New Business

National Hospital Week – Carolyn Bowmer, V.P., Human Resources, informed the Board of the various activities that have been scheduled to celebrate Hospital Week.

Executive Session

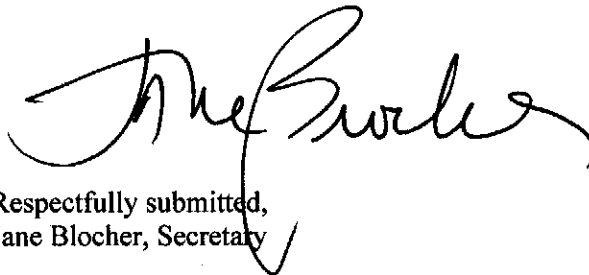
MOTION: made by Chuck Heath seconded by Mike Wildgen that the Board of Trustees recess to Executive Session for consultation with the hospital attorney which would be deemed privileged in the attorney-client relationship, to include the Board of Trustees only. The open meeting is to resume in this room at 10:30 a.m. Motion carried.

MOTION: made by Rob Chestnut and seconded by
Chuck Heath to extend the Executive Session to 10:45.
Motion carried.

Thereafter, the open meeting resumed.

Adjournment

There being no further business, the meeting adjourned.



Respectfully submitted,
Jane Blocher, Secretary