

**WRANGELL MEDICAL CENTER
BOARD OF DIRECTORS' MEETING
April 21, 2004**

PRESENT:

Roll Call showed those board members present were: Doug Schwartz, President; Brian Merritt, Vice President; Larry Clarke and Mark Robinson, Members. Also present were: Brian Gilbert, CEO; and Karen Wright, Administrative Assistant.

CALL TO ORDER:

President Doug Schwartz called the meeting to order at 5:16 p.m.

APPROVAL OF AGENDA:

Brian Merritt moved to approve agenda.

APPROVAL OF MINUTES:

Regular Board Meeting of March 17, 2004 — Mark Robinson moved to approve the minutes as presented. Motion was seconded and passed.

CORRESPONDENCE:

Discussion of articles in the *American Governance* regarding Hospital Performance, and an article in the *Trustee* board members filing financial statements. Larry Clarke moved to add an item to the agenda, following the approval of agenda, regarding the announcement of any possible conflict of interest. Motion was seconded and passed.

There followed discussion of a *Trustee* article on basic finance for hospitals. Mr. Gilbert reported that hospitals are being built down south where a few years ago they were closing them.

Letter from Dr. Krozel regarding tail coverage was reviewed. Mr. Gilbert explained what we are doing about it. We would only have to buy a separate policy if we were no longer in existence or we change carriers. Attorney is working on it.

ADMINISTRATOR'S REPORT:

Mr. Gilbert reported that Bob Labbe is resigning June 30th. Tony Lombardo will be replacing him.

Contracts with the physicians for ER coverage are back to the attorney, as well as the clinic rental agreements.

Final touches are being put on the budget. Draft should be ready for next month.

Medicaid rates are to be set under new regs which are not out yet.

The latest administrator of Cordova Community Hospital has resigned. Its future is looking pretty grim at present.

We have not spent \$6,000 for an opinion on Executive Session to the attorney. The \$6,000 are total expenses to date regarding contracts and other legal matters pending.

The board will state why we are going into closed session, as long as it does not defeat the purpose for Executive Session.

Mr. Gilbert will put a note in the newspaper regarding the clinic medical records.

MEDICAL STAFF REPORT:

Dr. Prysunka stated there were no major issues regarding the clinic at the present time.

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However, both she and Dr. McCandless are also concerned about tail coverage. Also, she and McCandless cannot afford malpractice coverage for OB which would amount to \$30,000 a year. Dr. Prysunka felt that perhaps the city needs to be approached regarding whether it would like to see this service continued.

Janet Buness remarked that she had a difficult time understanding how if the hospital is going to pay the clinic \$300,000 for ER coverage, why they can't afford \$30,000 for OB malpractice premium.

PERSONS TO BE HEARD:

Larry Barnes had signed up as a person to be heard, but stated that the Administrator's Report answered his concerns regarding Executive Session.

Steve Miller stated that his concern over the \$6,000 to the attorney for an opinion on the open meetings act was also answered by the Administrator's Report.

Laura Johnson spoke regarding that she felt with the physicians going out on their own, the facility should hire its own doctors and/or nurse practitioners.

Trudy Johnson spoke regarding the bills that are generated by the computer and sent to consumers with zero balances until the insurance pays.

OLD BUSINESS:

None

NEW BUSINESS:

Financial Statements — Olinda White is out of town, so, Mr. Gilbert went over the financial statements. We have not yet had to dip into our reserves, but Medicaid has slowed down on the payment for three long term care residents.

Cash Flow Statement — Mr. Gilbert stated that it takes approximately \$450,000 a month to keep the facility running.

Statistics — Statistics were reviewed which showed a sharp rise in laboratory tests performed. These figures would not reflect the Health Fair, as that wasn't held until April.

ASHNHA Compensation Salary Survey for 2004 — This was reviewed which showed we are not too far off. There have been no raises again listed in this year's budget with the exception of a 2% cost of living allowance.

COMPLIANCE REPORT:

None.

BOARD COMMENTS:

Brian Merritt spoke regarding an article in the newspaper regarding SEARHC putting money into the facility, and stated that this was not accurate.

Mark Robinson reported on the medical task force meetings he attended, and that he was hoping for a smooth transition for the clinic and hospital in July.

Larry Clarke moved to adjourn the meeting at 7:28. Motion was seconded and passed.

K.A. Wright, Recorder