

**HOSPITAL AUTHORITY OF THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON COUNTY**

**MINUTES OF THE JUNE 2, 2016 MEETING
OF THE
HOSPITAL AUTHORITY BOARD OF TRUSTEES**

A regular meeting of the Board of Trustees (the "Board") of the Hospital Authority of the Metropolitan Government of Nashville and Davidson County (the "Hospital Authority") was held on Thursday, June 2, 2016 at 4:30 p.m. in the Board Room of Nashville General Hospital. The members of the Board present at the meeting were Dr. Jan Brandes, Vice-Chair; Dr. Mary Bufwack, Chair; Dr. Howard Burley; Martha Ezell, Reggie Hill; Dr. Harry Jacobson, and Dr. Michele Williams. Also present were Dr. Joseph Webb, CEO; Dawn Alexander, CNO, Mark Brown, Administrative Director of Clinical and Support Services and Geoff Blomeley, Chief Financial officer as well as other staff members and guests.

CALL TO ORDER

Ms. Bufwack, Chair, called the meeting to order at approximately 4:30 pm noting that a quorum was present.

MINUTES

Ms. Bufwack asked for a motion to approve the minutes of the April 28, 2016 HA Board meeting. A motion was made to approve the minutes. The motion was duly seconded and unanimously carried.

NEW BUSINESS

MAYOR'S PRESS CONFERENCE/THIRD PARTY ASSESSMENT OF THE FINANCIAL STATUS & GOVERNANCE STRUCTURE

Dr. Bufwack discussed the Third Party Assessment that is scheduled regarding the financial status and the governance structure of the organization. Dr. Bufwack described the structure that has been in place since the inception of the Hospital Authority. She noted that the current governance structure was established in the early 90's when the transition was made from Nashville General Hospital to the Metropolitan Hospital Authority. At that time there was a management contract maintained by Vanderbilt through which the CEO, CFO and COO were provided. That contract ended in 2012 and since then the functions of those positions have become somewhat different. The structure of the Board is very clinical heavy with three physicians and a nurse required and then three other members. Dr. Bufwack feels that the assessment that the mayor has asked for is a very appropriate effort to look at the governance structure and ascertain how it can be improved so that the Authority can properly fulfill its obligations. She then asked Dr. Webb to share his insight on the assessment. Dr. Webb indicated that the mayor had called himself and Dr. Hildreth to get their feedback on having a third party perform an assessment so that she could learn more about what the hospital's needs are and looking at it from the standpoint of serving the needs of Meharry as well. She felt like she didn't know enough about the needs of the hospital and she was getting mixed feedback from different sources on what those needs were. She therefore wanted someone to come in and assess the needs so that she could make informed decisions about the resources that would need to be available to the hospital. She echoed that in the press

conference. Council Lady Gilmore, Dr. Hildreth and Dr. Webb were on the stage with the mayor; however, the media chose not to show the entire panel that was with the mayor.

Dr. Bufwack asked if the Board had any questions. Dr. Burley asked if there was a projected length of time that this assessment is expected to last. Dr. Webb indicated that the firm has met with the mayor's office and met with the NGH Executive Leadership team this morning. At that time it was made clear that it is not just about NGH but about Meharry as well. They will make tours through both organizations in the process. They did not give a specific time frame. Mr. Crumbo who will be performing the assessment will be out of town next week. However, they did say they would work to get it done as quickly as possible.

Dr. Bufwack noted that Board members would have an opportunity for input at some point. He will also be talking with leadership on both sides. Mr. Overlock noted that Mr. Crumbo was in the audience. Mr. Crumbo introduced himself noting that he was only attending the meeting as an observer at this point. Dr. Brandes asked if he could give an idea of the structure of the assessment. Mr. Crumbo indicated that he could not give a specific structure or time frame at this point but did not intend to take any longer than absolutely necessary.

PUBLIC COMMENT POLICY

Dr. Bufwack indicated that we do not presently have process or policy for a public comment section on the agenda. She noted that there are many Metro agencies who do and she feels that the HA Board should also have a section where public comment is invited. She would like to have the consent of the Board to have our legal counsel, Mr. Overlock to look into the options in terms of creating a section of the Board meeting in which there could be public comment and have him bring that back to the Board for discussion. Dr. Burley stated that public comments in the board meetings are not without precedent in the past. Dr. Bufwack agreed that it had been opened up before. Dr. Bufwack then asked Mr. Overlock to bring back any guidelines that Metro currently uses and a proposed policy for addressing them in HA Board meeting.

E-MAIL RECEIVED BY THE BOARD

Dr. Bufwack made sure that everyone had a copy of the email. She noted that since she was named in the email she would ask Dr. Brandes as Vice Chair to chair this part of the meeting. Dr. Brandes then asked if the email originally came to Mr. Hill. Mr. Hill stated that the letter presented was attached to an email that had a name associated with it. Dr. Brandes asked if anyone had anything in particular that they had to say about this letter. Dr. Williams indicated that she felt it should be dealt with the same as all anonymous letters. Dr. Burley stated that he has a number of hospitals that he works with in his position with the state and typically what they do with anonymous letters is collect them and turn them over to their investigators to see whether they are substantiated or not. They cannot investigate every letter because sometimes they are a result of someone who is disgruntled. Dr. Jacobson noted that accusations that the Board violated the Sunshine Law were serious and needed investigation. Mr. Hill stated that the fact that a letter is anonymous does not affect whether or not it should be investigated. He noted that the letter at hand was not anonymous but rather associated with an email that has a name on it. Dr. Williams noted that the letter from the "medical staff" last month was not investigated because it was anonymous. Dr. Williams stated that she believed they should all be investigated. Dr. Brandes asked if there was a motion to ask Metro to investigate the most recent letters along with the one presented today. Dr. Burley asked how many letters we have now. There are three that have not been investigated. A motion was made to have the letters investigated. The motion was duly seconded and unanimously carried. The three letters will be submitted to Mr. Lee. Mr. Lee noted that the investigation

may not be from HR because there a lot of things addressed that are not HR related; however, they can certainly perform an investigation and report back.

OLD BUSINESS

CEO EVALUATION TOOL

Dr. Bufwack deferred the CEO evaluation tool until Metro has given their feedback.

CMO RECRUITMENT

Dr. Bufwack noted that Dr. Webb and Dr. Hildreth were going to provide suggestions on what the CMO search should look like. He noted that he and Dr. Hildreth feel that there should be a formal search for a new CMO as they would like to see this role be a full-time position, not one with part-time teaching, also with medical expertise leadership on the hospital side as an executive and member of the executive team. This individual would report to the CEO and be a member of the Meharry faculty. The following services would report to the CMO:

1. Physician Services/Provider Credentialing
2. Quality Management (Medical Oversight or direct report depending on candidate's skill set)
3. Population Health (Medical Oversight)
4. Patient Centered Medical Home (Medical Oversight)
5. Hospital Medicine (Medical Oversight)
6. ED Services (Medical Oversight)
7. Risk Based Provider Contracts (Medical Oversight)

They would also champion the Clinical Integration Initiative.

Dr. Bufwack asked what the financial impact would be for having a full-time CMO and the cost of the search. Dr. Webb indicated that a typical search runs between \$15-20k. The salary would be anywhere from \$150-180k depending on the caliber of the individual. He noted that the question would be what would you want this individual to do and how would you want them to function or role would you want them to perform in.

Mr. Hill noted that the current CMO contract indicates the CMO makes approximately \$4k/month. He asked if that was a part-time position. Dr. Webb confirmed that it was very part-time. Dr. Brandes noted that the average salary for a CMO in the United States is \$277, 800. The estimate for a CMO search would be \$50k. Dr. Brandes asked what the clinic responsibilities of the CMO have been in the past. She asked how his responsibilities were structured since he also had a private practice. Dr. Webb indicated that he could not explain that. She then asked what his clinical responsibilities were under the contract with NGH. Dr. Webb noted that it did not specify in his contract a certain number of hours a week that he would work. Dr. Burley asked if the CMO would need to be a full-time dedicated position. Dr. Webb stated that he feels hospitals today should have a full-time CMO. Dr. Burley asked if he and Dr. Hildreth agree that it would take a full-time position to fulfill the duties listed. Dr. Webb noted that the responsibilities and scope of the position can be scaled based on what the Board approves. Dr. Burley stated that the Board would do what they needed to if a full-time CMO is needed. Dr. Webb indicated that based on what we need to do to be strategically successful here we need to move toward creating an integrated system and in order to do that it would serve us well to have that expertise on the side of the hospital. Dr. Williams asked if the whole salary would be provided by the hospital or if Meharry would pay part of it. Dr. Webb stated that if Meharry identified a need to utilize the CMO in an active faculty role they would pay part of the salary. Dr. Brandes asked if Meharry was currently paying the CMO salary now. Dr. Webb indicated that Meharry paid his salary and we rented part of his time. Dr.

Brandes asked if we should move forward with a search for a full-time CMO with issues that are being addressed at this time or if we should rather have some conversations with the MEC and Meharry to find out if there are any viable candidates here who might be an option. Dr. Webb noted that we could take as much time as needed to search for a new CMO. Dr. Brandes asked what the provisions are for an interim appointment. Dr. Webb noted that he doesn't feel it has to be done a certain way, but rather we can be as innovative as we need to be to get the position filled. Dr. Brandes asked if we could ask the MEC to provide some names for an interim CMO. The Board recommended that the MEC address an interim CMO and provide a recommendation on an interim CMO. They also asked that a concrete proposal for a search from B.E. Smith be obtained and a budget plan to cover the costs be provided. Dr. Jacobson noted that an effective CMO will pay for themselves in their role. The biggest job they have is making sure that the clinical services are top notch and will attract patients and additional admitting physicians. It is a very important recruit and will be very important that Meharry has a strong voice in the individual chosen. He also feels that it is important that the chosen candidate has experience as a CMO or senior medical officer in a teaching hospital. This is a critical position because this hospital is only going to be successful if it has a census of 90-100 patients and good CMO can be instrumental in getting that done. Dr. Brandes recommended getting multiple proposals for a CMO search. Dr. Bufwack asked that three bids be obtained. Dr. Jacobson stated that the Board should also have input in choosing the candidate. Dr. Jacobson also recommended that the responsibilities in the new CMO job description be tested with the Interim CMO to clarify what a permanent CMO will be responsible for. The Board asked for a more detailed job description as well.

PHYSICIAN ENGAGEMENT/ALIGNMENT SURVEY

Dr. Webb noted that Ms. Thomas, CIO was not present. However, we did speak with Press Ganey on the Physician engagement/alignment survey component and also spoke with Meharry about the physicians they would like to include in that which would be the active staff which would be 186 and would cost between \$18,000 and \$20,000 and it would be a 90-day time frame for the implementation process. Dr. Bufwack asked if there were any questions. Dr. Brandes asked if the purpose of the survey could be restated. Dr. Bufwack noted that the physicians were not included in the employee engagement. They will be surveyed about the same type of things, but it will be geared more for physicians. Dr. Brandes noted that it might be useful to have it before the CMO search. Dr. Bufwack noted that performing this engagement/alignment survey says to the physicians "we care about what you think and how you feel." Dr. Williams asked if we could wait on performing the survey. Mr. Hill asked Dr. Webb if he felt this would be useful to him and his team. Dr. Webb noted that he feels it is always good to have three assessments done, patient, staff and physician. However, he does not feel that it has to be done right now. Dr. Bufwack asked if the Board would prefer to put it on hold. Dr. Jacobson stated that he felt it would be helpful to have the results prior to recruiting a new CMO. He also noted that the hospital is going to have to grow revenue in order to be financially sustainable.

Dr. Bufwack recommended making a commitment to performing the survey. She also stated that she would meet with the new Executive Director of FIG, Ms. Rose to identify a couple of foundations and make an ask to get the survey paid for. Dr. Jacobson noted that this would be something that Meharry would want to be involved in. Dr. Brandes asked Dr. Webb to find out from Dr. Hildreth whether this is something that they have done at Meharry. Dr. Jacobson noted that there are probably some surveys that could be obtained to use. He also feels that it's very worthwhile to have a physician survey noting that the only people who can admit patients to this hospital are physicians, nobody else can do that. Mr. Hill suggested that Dr. Jacobson review the questions to be used in the survey.

Dr. Brandes asked how the results of the staff survey are being used and whether or not they have been useful. Dr. Webb noted that we are still putting together the strategies for responding to those.

Dr. Jacobson noted that time was running out. Dr. Bufwack agreed and stated that she was not going to give a Chair's report. She then asked Dr. Webb to give his CEO report.

CEO REPORT

Dr. Webb noted that we are in the Joint Commission window for re-survey as of May 28, 2016. They could show up any day. There will be one person who will see if we are doing the things that we said we would. We believe we will do well when they come back.

The Women's Services floor is open and there will be an open house for it on July 14, 2016 from 11:00 – 2:00.

The Outpatient Pharmacy is now open and functioning well.

Dr. Webb noted that we have reduced traveler nursing through excellent recruitment and retention and we are down to 13 travelers as of the end of May. By July we should be down to 6 or 7. This will save approximately \$1-1.5 million. Dr. Webb gave kudos to HR and nursing for working together to get that done.

FINANCE REPORT

Mr. Blomeley reviewed the Finance report. He noted that days in AR are beginning to fall as we catch up in coding following the ICD-10 conversion. Our billing backlog has gone down from 36 – 12 days which has helped with collections.

Mr. Blomeley noted that there was a lower acuity in the ED this month. We did have strong volume, but because of the lower acuity did see a drop in the percentage of admissions from ED.

Dr. Jacobson asked whether Revenue Cycle management assistance is being sought to help get AR days down. He noted that we should not be at 100 days, but rather that should be closer to 45. Mr. Blomeley indicated that we are working on getting those AR days down. Dr. Webb noted that we have a Revenue Cycle Task Force that meets weekly as well as meeting with MMC leadership to make sure physician documentation is completed. Dr. Bufwack recommended that a specific goal be set for 30 days out and readdress if we have not reached that goal. Mr. Blomeley pointed out that we did not get to where we are in 30 days and it will take more than 30 days to get back. With ICD-10 a lot of things got behind and we are fighting the "catch up" battle right now. Dr. Webb noted that we do have a plan in place to grow revenues.

Dr. Bufwack recommended revisiting the FY16-17 budget at the next meeting to determine where we are with it and whether or not it is realistic.

Dr. Williams noted that clinic visit were down significantly and asked if that was due to provider coverage. Dr. Brandes asked if we had contracts with Meharry physicians to staff the clinics or if they are required to see a certain number of patients. Dr. Webb indicated that they do not currently have to meet a quota. We continue to work with Meharry to recruit physicians. Dr. Brandes asked when the attending only clinic is expected to open. Dr. Webb indicated that it should open the first or second week of July. We hope to have at least two physicians staffing that clinic 5 days a week. We also want to provide weekend coverage as well as after-hours coverage.

Dr. Jacobson recommended having a "numbers day" scheduled for a minimum of two hours going over the numbers as soon as the books are closed and if Board members want to attend that they can do so. He recommended having the clinical chairs, the dean, Dr. Hildreth, the management team of the hospital including the finance team schedule a numbers day every month for two hours to ascertain what is root

cause behind the variances and putting some corrective action plans in place. Dr. Bufwack asked Dr. Webb to put that together starting in June. Dr. Webb asked if there would be Board participation in that. Dr. Bufwack noted that Board members can come if they are available but will not be required to.

QUALITY REPORT

Mr. Lomax discussed the Quality report reiterating that we are in the window for the Joint Commission resurvey. Mr. Lomax noted that he has been here two months and has been very impressed with the quality of the care given here. He makes rounds with teams every day. They continue to work on continuous readiness.

Dr. Bufwack asked that a dashboard be included with the next Quality Report to the Board.

COMPLIANCE REPORT

Ms. Woodside discussed the Compliance Report. She noted that the Compliance Committee met on May 18, 2016 and the next meeting will be June 21, 2016. Ms. Woodside plans to have a Compliance Plan ready to present at the next Board meeting.

MEDICAL STAFF REPORT

Dr. Burley discussed the Medical Staff report and stated that there were no issues with any of the reappointments.

Dr. Bufwack asked for a motion to approve the Quality, Compliance and Medical Staff Reports. A motion was made to approve the reports. The motion was duly seconded and unanimously carried.

Dr. Bufwack then asked for a motion to approve the Finance Report. The motion was duly seconded and unanimously carried.

ADJOURNMENT

There was no further business to discuss; therefore, a motion was made to adjourn the meeting at 6:30 p.m. The motion was duly seconded and unanimously carried. The next regularly scheduled meeting will be held on June 30, 2016 at 4:30 in the NGH Board Room.

Respectfully Submitted by:

Mary Bufwack, PhD, Chair