



THE UNIVERSITY OF NEW MEXICO ♦ HEALTH SCIENCES CENTER

# UNM HOSPITALS

## UNM Hospital Board of Trustees

### Meeting Minutes

September 5, 2008

UNM Hospital, Pavilion Conference Room #1500

Agenda/Subject	Discussion	Status	Due Date	Responsible Party
I. Call to Order	Chair Maria Griego-Raby called the meeting to order at 9:00 a.m.			
II. Adoption of Agenda	The Chair called for a motion to adopt the agenda as submitted. Maralyn Budke so moved and Jerry Geist seconded the motion. The motion passed unanimously.			
III. Announcements	<p>1) Maria Griego-Raby thanked the outgoing President, Louise Campbell-Tolber for her communication, skills, and compassion for the hospital and community public service. Louise thanked the board for its commitment and help to make UNMH best hospital in the US.</p> <p>2) Reminder: Board Retreat is on October 10, 8:00 a.m. at the Tamaya. There will be a short business meeting prior to the start of the retreat.</p> <p>3) On September 25<sup>th</sup>, the AIPC will be meeting at the hospital. Steve McKernan noted that, per an amendment in the lease, the AIPC requests two meetings a year. There is also another meeting with the broader community including the I.H.S. once a year. The hospital/HSC met with the AIPC in April 24, 2008. The broader meeting will most likely be in November.</p>			
IV. Public Input	No public input			
V. Approval of Minutes	Chair Griego-Raby called for a motion to approve the minutes of the August 8 <sup>th</sup> meeting. Maralyn Budke so moved and Louise Campbell-Tolber seconded the motion. The motion was approved unanimously.			
VI. Consent Agenda	The consent list (attached) was reviewed by the RDC yesterday (September 4). Jerry Geist moved for approval and forwarding to the Regents of: 1) Center for Digestive Diseases; 2) Seven Bar Flying Service; 3) Cardinal Health Solutions; 4) HRN Services; 5) OR Nurses; 6) Ocean to Ocean; 7) Press Ganey; and 8) Siemens Medical Systems. Steve Anaya seconded the motion and the motion passed unanimously.	Consent list to be forwarded to F & Committee and Board of Regents	Sept 8 and 9, 2008	Steve McKernan
VII. Board Initiatives	<p><u>GO Bond C</u></p> <p>Pug Burge gave a presentation (attached) on GO Bond C. There are 4 GO bond projects on November's ballot (back of ballot). Healthcare facilities are statewide projects included together in Bond C. The Health Sciences Center has \$17 million for the Cancer Center, \$4.5 million for the Neurosciences Research Facility and \$7 million for a dental education facility training. As an example of what will it cost, for a home with a net taxable value \$33,000, the annual cost to the property owner is about \$4. To promote passage of Bond C, there will be banners at the state fair and in Santa Fe. Print ads will be done. Dr. Cheryl Wilman is organizing neighborhood walks in conjunction with the hospital. There is a speaker's bureau.</p>			

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	<p>Maralyn Budke inquired if the projects could be voted upon separately. Ms. Burge responded that all the projects listed under Bond C are one bond issue vote on the ballot. Dr. Goldstein asked if the entire state votes for the same things, and if it is positive for us. Pug Burge responded, yes, because the GO bond is not viewed as just an Albuquerque bond issue. Steve Anaya asked what board members can do to assist. Pug advised everyone to talk to friends and neighbors and ask them to vote.</p> <p><u>HSC Emergency Preparedness</u>  Mike Chicarelli gave a presentation (attached) on emergency preparedness for a contamination event. Presentation included information on the decontamination tent and how it's used to isolate patients. Dr. Goldstein inquired how people are separated who are infectious. Mike responded it would depend on the disease. In some cases people can be separated, some can't. The new ED was designed to segregate patients. The tents, however, also have curtains and the A/C unit can be changed to draw separately into compartments. Mr. McKernan noted Mike and his staff practice drills. They have observers to critique so they are prepared in an event. The hospital has the capability as second responders. Ambulances are first responders. Jerry Geist inquired if the hospital has ever used deployment in smaller events. Mike noted the hospital has used the fixed unit a number of times and has conducted joint drills with Sandia Labs.</p> <p>Steve McKernan recognized Mike with a certificate for his work on the program, which was presented to the Khatali Alumnae Association.</p> <p><u>Board Committee Assignments</u>  The revised 2008-09 list was distributed. Maria Griego-Raby thanked all members for serving on committees and Michelle Melendez for taking on another assignment as Chair of the Community Benefits Committee. She called for a motion to approve the list as assigned. Steve Anaya so moved. Louise Campbell-Tolber seconded the motion and the motion passed unanimously.</p> <p><u>Board Self Assessment Survey</u>  Steve McKernan noted the hospital does an annual Board self-assessment survey. It was updated to reflect current JCAHO leadership standards. Board members were asked to return to Annette per the attached memorandum. A report on the results will be given at a future board meeting.</p> <p><u>Joint Operating Plan</u>  Steve McKernan gave a presentation (attached) on the JOP, which he noted started in 1997 at the request of a board member. He reviewed the mission and vision drafts, which are still being worked on by the LarsonAllen Consultants. He discussed how they are used and coordinated with the goals in the JOP. The 'Joint' means between the SOM and UNM Hospital. The plan is based on 5 pillars: Growth and Strategic Plans, Quality and Safety, Service, People and Finance. JOP goals are put into the performance plans of the CEO, VPCA, and administrators. Administrators have their direct reports: 24 executive directors, and then their reports, 140 directors who report to</p>			

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	<p>them, then supervisors and staff. All performance evaluations are based on the five pillars and JOP. It is a very formalized process and is finishing up this week for the evaluation period ending June 30<sup>th</sup>. Steve reviews all executive directors with their administrators. Supervisors and staff are done annually. Management staff has a formal rating in the performance evaluation. Scores are based on performance plans. All management is on contracts at will and can get up to a 10% incentive. Most scores average about 3 of a possible 5. Administrators are on a 20% incentive and executive directors on 15%. All scores are put on a spreadsheet and scores reviewed to determine what the general performances are in all areas. Those employees who score 1 or 2 are put on performance improvement plans. They get a choice to improve or leave management. It also becomes a good tool for developing candidates for promotion. Sheena Ferguson, Rodney McNease and Jamie Silva-Steele are excellent examples of executive directors who moved up to administrators. Dr. Hashimoto asked if incentives are extra on top of base salary and what percentage of employees is eligible. Mr. McKernan advised they are, and about 155 people are eligible. About \$500,000 is allocated for that purpose.</p> <p>Mr. McKernan reviewed coordination of aligning performance plans. Administrators are aligned with Executive Medical Directors with common goals. Jerry Geist asked for clarification on the point system and if they are set so not everyone can get 5's. Mr. McKernan advised that the rationale is to improve the hospital and if everyone got 5s, the goals wouldn't be high enough to create progress. Mr. McKernan noted base compensation is set to market, so the incentive really is an incentive reward. Dr. Hashimoto asked if physicians/medical directors get parallel incentives to administration. Dr. Katz advised there is a budget to pay certain incentives quarterly. There is also a UNMMG incentive tied to quality and safety goals. Dr. Goldstein asked about other employees. Steve McKernan advised there are about 500 supervisors and they are working on it. They would need to go to semi-annual evaluations. Management has promoted incentives for the entire staff, but has met with resistance from organized labor units.</p> <p>Steve Anaya asked how it's rolled up. Mr. McKernan noted it is done two ways: each one of the goals is assigned to one of the board subcommittees, quality to POC, finance to RDC, people to RDC, growth to Strategic Planning. Then the focus is on: did the hospital have good growth and access and volume; did mortality rate go down, was medication reconciliation done, and were patients satisfied. Were employees more or less satisfied, how is it reflected in turnover rate, and financially how did the hospital do. Board members should want to know patients are safe, have good access, that employees are happy and the budget is balanced.</p> <p><u>Community Benefits Oversight Committee Policy</u>  Maria Griego-Raby noted this policy came before the committee in the last CBOC meeting and asked Rodney McNease to review. Rodney noted the draft policy is to bring clarification on how outside community members are brought onto hospital operating committees. There is the Patient Access Committee (Rodney hosts) and Language Interpreter Committee (Jamie Silva-Steele hosts). He is asking for guidance from the board on how this works. There is a formal linkage with CACC to the Patient</p>			

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	<p>Access Committee. The policy is asking that there be some framework and the Board's consent to have community representation on these committees and some oversight on who is sitting on those committees. Michelle Melendez verified it would still be the staff's responsibility to seek representation. Steve McKernan noted they want to make sure there is oversight and balance. Michelle asked if the policy would set terms of service on committees. The policy sets a term of one year and reappointment up to 3 consecutive one-year terms. Committees eligible would be Interpreter and Patient Advisory Council, Patient Access and two primary care councils. The Chair called for a motion to approve the policy. Louise Campbell-Tolber so moved, and Michelle Melendez seconded the motion. The motion passed unanimously.</p>			
VIII. Administrative Reports	<p><u>Executive Vice President, Health Sciences Center</u> No report.</p> <p><u>CEO Report</u> Steve McKernan noted his report is in the agenda book. He discussed the mil levy campaign. \$55,000 has been raised to date and the committee is trying to raise between \$85,000 - \$90,000. They are in the process of finalizing the ad campaign with Rick Johnson Advertising. If between \$85,000 - \$90,000 is raised, Billy Sparks has advised sending out at least one mailer. Then on Oct 4, there will be a picnic for employees where yard signs and door hangers will be distributed. They have worked with Research Polling for a list of homes in walking order, for staff to deliver and hang door hangers. They will stick hangers on windshields at a Lobo game. The campaign is progressing according to plan. There is no organized opposition they are aware of. Early absentee voting starts October 7<sup>th</sup>, but only at the County Building. Community voting doesn't start until October 17<sup>th</sup>. Staff is going out in the community to association meetings and the Albuquerque Chamber said they would endorse the mil levy election and so did ACI. Dan Mayfield noted the mil levy went down this year from 6.5 to 6.4 mils.</p> <p><u>Vice President, Clinical Affairs</u> Dr. Katz reported: 1) UNMMG is doing well and finances are good. They hit a new record high in patients. He noted they met with western regional deans at the AAMC meeting. One of the themes was faculty practice organizations and the role they play in an academic center. He has had several calls with other practice groups and how they expanded their roles and will meet with them. Dr. Goldstein inquired if he found that other public hospitals have practice groups. Dr. Katz advised that Nevada does, but they are a year behind and have an open practice. Colorado is the closest match to UNMH. The other one is the University of Wisconsin, which is an academic center. UCLA is somewhat similar. 2) Electronic Medical Record: they went to Kansas City again. The project is on track and where it needs to be. The next six months will be intense and they are still looking at March 9<sup>th</sup> as the target date. 3) Quality report will be given in closed session.</p>			
IX. Updates	<p><u>Financial Dashboard (attached)</u> Ella reviewed finances and statistics. The hospital is showing a \$307,000 positive margin vs. \$173,000 budgeted.</p>			

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	<p>Dan Mayfield inquired if revenues look to be weakening. Ella Watt responded that there is an increase in patients. Steve McKernan added that the unemployment rate started to increase in July. He expects finances to look good for a while, but in spring they will show the effects of the economy. The SCI program enrollment was up to 11,000 in August, but reimbursement has dropped to \$250 per patient per month, which will really affect the cash flow in the second half of the year. Mr. Mayfield noted there was a 4% increase in GRT revenues last year.</p> <p>Louise Campbell-Tolbert inquired if the SCI reduction is for a year. Mr. McKernan advised this is unknown, but he is meeting with the state regularly. When SCHIP went through, it was set to be recalibrated in March or April of 2009 and will have to wait and see what happens.</p>			
X. Committee Reports	<p><u>Community Oversight Benefits Committee</u>          Maria Griego-Raby reported the CBOC met August 22<sup>nd</sup>. There was a report on the Advanced Medical Home Program that is quality and patient driven. They are looking at January to roll out the model (under Pillar 3 Service). The committee reviewed the policy passed today. An issue of concern was that issues at the CAAC will come from the CAAC through the CBOC. There was a Native American forum in March. Steve McKernan gave an update on the 1952 contract. The discussion needs to go broader and will continue with AIPC meeting this month. They would like to report back to the people who participated in the forum.</p> <p>Michelle Melendez noted she would like to share an award Dr. Kaufman received because of the collaboration with the Southeast Heights Clinics. Jamie Silva-Steele added that Dr. Kaufman applied for award in July. She would like to bring to a future board meeting.</p> <p><u>Performance Oversight Committee</u>          Dr. Goldstein reported they met August 29 and heard medical staff credentialing and 3 major topics. One was MRSA, an infection historically acquired in the hospital, which more and more people are acquiring in community and coming into the hospital with it. Medicare will no longer pay for hospital acquired infections, and treatment will no longer be covered. It will be important to distinguish pre-existing infection when patients come into the hospital. The hospital is now starting to test patients, especially in the ICUs, trauma, MICU and Neurosciences. The plan is to continue expansion of testing. Second topic discussed was safety trend reports. It was going down in the summer, but went up in December through January. The report is based on errors of commission or omission and fall into different categories of harm. The majority of errors are minor and related primarily to mislabeling of lab specimens and medication errors. However, the overall trend is fairly positive in terms of volume. The third report was by Dr. Pitcher on adult inpatient throughput. It is one of the major initiatives, dealing with LWBS and the average number of patients after 3 pm still awaiting placement. The numbers are fairly stable, but would like to see improvement. In the context of increased numbers, staying stable seems positive.</p> <p><u>Resource Development Committee</u>          Jerry Geist reported the consent items were reviewed for approval to forward to the F &amp;</p>			

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	<p>F Committee and Board of Regents. He noted the state's reimbursement is of concern. He also reported that efforts on clarifying governance procedures have now been cleared again and will be on F &amp; F and BOR agendas this month for approval. Dr. Goldstein asked what the difference is. Mr. Geist responded that delegations that come to the board are now clarified and the board name will change to Board of Trustees. The Regents have ultimate responsibility and have delegated as much to the board as possible. What this means is that the Regents will accept what we send to them on consent agendas. Mr. McKernan noted the HSC Committee and Finance and Facilities Committee had dual jurisdiction over hospital. The policy change makes clear that the HSC Committee now has nothing to do with the hospital and all activity goes through the Regents Finance and Facilities Committee and will have two members of COB on the Regents Finance and Facilities Committee. Credentialing will also go through the Finance and Facilities Committee. Louise Campbell-Tolber asked if the intent was to have the Chair of the Board of Trustees and RDC committee serve as those two members on the Finance and Facilities Committee. Mr. McKernan noted the Regents Chair didn't specify which two COB members would serve.</p> <p><u>Strategic Planning Committee</u>  Maralyn Budke reported the committee met on August 19<sup>th</sup> and put its seal on the Strategic Plan draft, which is holding for a report from the UNM Master Plan consultants, the DPS group. DPS reported to the committee on its plans for meeting with people and touring the facilities. The final draft of the hospital strategic plan was based on conservative baseline estimates. Dr. Goldstein asked about values being incorporated into the Strategic Plan. Mr. McKernan advised he will work with the LarsonAllen consultants on it.</p>			
XI. Other Business	None			
XII. Closed Session	Chair Griego-Raby requested a motion to close the meeting to the public for the purposes of discussion and determination, where appropriate, of limited personnel matters per Section 10-15-1.H(2) NMSA; and discussion and determination, where appropriate, of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA. Maralyn Budke so moved. Louise Campbell-Tolber seconded the motion and the motion passed unanimously.			
XIII. Certification	After discussion and determination, where appropriate, of limited personnel matters per Section 10-15-1.H(2); and matters involving strategic and long-range business plans or trade secrets of UNMH per Section 10-15-1.H(9) NMSA, the meeting reopened to the public. The chair called for a motion to ratify the approval of the medical staff credentialing and other actions approved in closed session. Maralyn Budke so moved. Jerry Geist seconded the motion and the motion passed unanimously.	Medical Staff credentialing to be forwarded to the Regents	September 9, 2008	Steve Mckernan

**ADJOURNMENT**

There being no further business, the meeting adjourned at 12:30 p.m.

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Michelle Melendez, Secretary  
UNM Hospital Board of Trustees