



**BOARD OF DIRECTORS
SPECIAL BOARD MEETING MINUTES**

AGENDA ITEM	DISCUSSIONS/CONCLUSIONS	ACTIONS/FOLLOW-UP/ RESPONSIBLE PARTY
PRESENT AT MEETING:	<p>Board Members: Ken Cutler, M.D., President; Roger Kahn, Vice President; Larry Long, Secretary; John Mohun, Treasurer; Karen Sessler, M.D., Board Member</p> <p>Staff: Bob Schapper, CEO; Virginia Razo, PharmD, Chief Operating Officer; Joan Sevy-Majers, Interim CNO; Paige Thomason, Director, Marketing & Communications; Svieta Schopp; Linda Harman, Director Surgical Services; Jeanne McAuliffe, Executive Assistant</p> <p>Others Present: Bob Chase, M.D.; DeeDee Clark; Brad Thomas, M.D.; Steve Gross, Legal Council</p>	
1. Call to Order	Dr. Cutler called the meeting to order at 6:00 p.m.	
2. Roll Call	It was noted that all five Board members were present.	
3. Clear the Agenda/Items Not On the Posted Agenda	The agenda was cleared. There were no changes to the agenda as posted.	
4. Input -- Audience	Audience input was sought, but none was offered.	
5. Employee Associations	None.	
<p>6. Presentations/Staff Reports (Discussion And/Or Action Possible) Evidence Supporting Recommendation that the Board Enter into an Exclusive Contract for Anesthesia Services</p>	<ul style="list-style-type: none"> • Dr. Cutler stated that the purpose of tonight's meeting is to hear public comment, no action will be taken this evening; • Ms. Razo read the recommendation, which is attached to and incorporated as part of these minutes. 	
7. Public Hearing on Possible Closure (Exclusive Contract) of Anesthesia Department	Dr. Cutler opened the Public Hearing regarding the possible closure of the Anesthesia Department at Tahoe Forest Hospital District.	
A. Oral Comments	<ul style="list-style-type: none"> • Dr. Chase stated: ✓ He is present to support the anesthesia department; 	



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	<ul style="list-style-type: none"> ✓ They are a very qualified group of physicians with a great reputation in the community; ✓ Anything that can be done to stabilize services and keep the physicians in the community would be great; • Dr. Cutler asked if there were any further comments; • Mr. Kahn stated: <ul style="list-style-type: none"> ✓ There were five anesthesiologists now down to four, it was stated that four isn't enough; ✓ He asked if it is the intention to recruit a fifth anesthesiologist; • Dr. Thomas responded: <ul style="list-style-type: none"> ✓ That is what they intend to do; ✓ The remaining four anesthesiologists have stepped up to cover services, but they need a fifth anesthesiologist in order to provide coverage; ✓ With an exclusive contract with the hospital, they feel they can recruit a very qualified physician; ✓ In the meantime, the group would be responsible for recruiting locums for vacation coverage, etc. • Mr. Kahn asked about the economics and if there a likelihood that the anesthesiologists will come back to the hospital and say they can't afford this and need more help; • Dr. Thomas responded: <ul style="list-style-type: none"> ✓ The group is still in negotiations with the District; ✓ He hopes and expects that they have come a long way in establishing MGMA benchmarks and will reach an agreement that works; ✓ But at this time, he isn't sure;; • Mr. Mohun asked if there was any written input; • Ms. McAuliffe read the two e-mails that were received, one 	
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	<p>from Dr. Kundu and one from Dr. Newman, copies of which is in the packet;</p> <ul style="list-style-type: none"> • Dr. Thomas continued: <ul style="list-style-type: none"> ✓ The OR is one of the jewels of the hospital that helps support other business units; ✓ It is a critical part of the hospital's revenue stream; ✓ He pointed out that anesthesia physicians provide more services than just surgeries in the OR; ✓ They also assist with OB, Ophthalmology, ENT, Orthopedics at TFH, Truckee Surgery Center and IVCH; ✓ A large part of their job is obstetrics, doing epidurals, c-sections, etc. ✓ They are also involved in pain management and provide anesthesia services for radiology procedures such as CT Scans, MRIs and endoscopies; ✓ They provide conscious and unconscious sedation for the ER; ✓ Provide continuing education for the nurses in the OR; ✓ Are involved in serving on medical committees and various leadership positions in the hospital; ✓ They interact in many areas of the hospital; ✓ In the 17 years he has been here, he is not aware of any lawsuits or any legal involving anesthesia; ✓ The anesthesiologists have been feeling the pinch for years with the change in payor mix, etc. ✓ Then they began to have problems getting locums to come because they don't want to come up here; ✓ When Dr. Silver left in April, it was time to do something; ✓ Each of the anesthesiologists started providing services elsewhere for additional compensation; ✓ When they went to Mr. Schapper, he told them that they 	



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	<p>needed to create a group before they could even talk to them;</p> <ul style="list-style-type: none"> ✓ The immediate benefit is to diffuse this current crisis and stabilize the existing department and to maintain the smooth continued flow of surgery and surgical services; ✓ This will allow them to recruit another qualified physician to bring them up to appropriate staffing levels; ✓ He cares about this hospital and the future of this hospital, he wants to know that when anesthesiologists retire, they will continue to have a happy, healthy anesthesiology department; ✓ It is important to take this large step; ✓ The District won't have to deal with all the locums issues any longer, it's expensive and a pain; <ul style="list-style-type: none"> • Mr. Kahn asked if there will still be a need to use locums after a fifth physician is recruited; • Dr. Thomas responded: <ul style="list-style-type: none"> ✓ Once a physician has been hired, it is anticipated that the need for locums will greatly diminish; ✓ Currently, there are some holes in contracts; ✓ The group would be required to accept the same contracts as the hospital; • Mr. Schapper stated: <ul style="list-style-type: none"> ✓ The group will take all payors including Charity Care, which is a change from the current practice; ✓ In general, he is excited about having a department that is more aligned with Administration in which they share a common interest; ✓ He believes it will be better than it is currently; • Mr. Kahn asked Ms. Razo if there is a down-side in this; 	



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	<ul style="list-style-type: none"> • Ms. Razo stated: <ul style="list-style-type: none"> ✓ She doesn't see any downside; ✓ Steps have been taken so that the locums that currently provide services at the hospital understand how this affects them; • Mr. Schapper stated that this discussion began about 10 years ago when he arrived and asked why Anesthesia was not a closed department; • Mr. Long stated that the conversation started long before that, but the anesthesiologists back then didn't want any part of it; • Dr. Thomas stated that the culture here tends to be an independent culture, so it is understandable that it went on as long as it has; • Mr. Long asked about costs; • Ms. Razo stated that this will be reviewed in closed session at next week's meeting; • Mr. Mohun asked if that will be at the Board meeting in January; • Ms. Razo responded that it will be at the 12/18 Board Meeting; • Dr. Cutler asked if there were additional comments. There were none; • It was emphasized that the record will be kept open until 12/17, the day prior to the meeting of the Board, in which the decision will be made whether to close the Anesthesia Department, for the public to submit additional comments; • The public hearing has been continued to 12/18 at 6 p.m. • Mr. Gross suggested letting people who were sent individual notices know that they can still comment. 	



DATED: 12/11/12

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B. Written Comments	Two written comments were read by Ms. McAuliffe	
8. Board Members Reports/Closing Remarks	There were no closing remarks.	
9. Adjournment	The meeting adjourned at 6:45 p.m.	

jlm