LEE MEMORIAL HEALTH SYSTEM
BOARD OF DIRECTORS MEETING

Thursday, August 27, 2009
*1:00pm

12:00pm – Lunch Meeting With Medical Staff in the Medical Staff Conference Room, Lee Memorial Hospital

1:00pm – Board of Directors/Lee County Trauma Meeting

(*Held concurrently with the Lee County Trauma Services District Board of Directors Meeting)

LEE MEMORIAL HOSPITAL AUDITORIUM
2776 Cleveland Avenue, Fort Myers, FL 33901

ELECTRONIC BOARD PACKET
Any Public input is limited to three minutes and a "Request to Address the Board of Directors" card must be completed and submitted to the Board Assistant prior to meeting.

LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS
Thursday, August 27, 2009  1:00 pm
LEE MEMORIAL HOSPITAL AUDITORIUM

AGENDA

1. **12:00 – 12:45** Lunch meeting with LMH/HP Medical Staff (MSCR)
2. **1:00pm** - CALL TO ORDER  (Richard Akin, Board Chairman)
   LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS, sitting as the Lee Memorial Health System (LMHS) Board of Directors for Gulf Coast Medical Center & Lee Memorial Hospital/HealthPark Medical Center and the Board of Directors of its subsidiary corporations: Cape Memorial Hospital, Inc. doing business as Cape Coral Hospital; Lee Memorial Medical Management, Inc.; Lee Memorial Home Health, Inc.; and HealthPark Care Center, Inc.

3. **Public Input - Agenda Items:** Any Public input is limited to three minutes and a "Request to Address the Board of Directors" card must be completed and submitted to the Board Assistant prior to meeting.

4. Invocation and Pledge of Allegiance  (Reverend Ben Keller)
5. Recognition of the 2009 Board of Directors “Doc Coggins” Award Winners
   - Wayne Brightshue, Lead Plant Operations Technician III, Health Park Care Center
   - Diane Clifton, RN, Cardiovascular Neurology Recovery Unit, Gulf Coast Medical Center
   - Pat Dolce, Public Affairs Specialist, System Press and Public Information
   - Sharon L. Glenn, CNA, CNA-Advanced, Post Anesthesia Care, HealthPark Medical Center
   - Kwee Green, CNM, Certified Nurse Midwife, Lee OB/GYN Associates
   - Debbie D. Hansen, Recruitment Assistant, Employment Recruitment Center
   - Anetria Hogue, CNA, CNA-Advanced, PICU, The Children’s Hospital of Southwest Florida
   - Brigid Kleinschmidt, RN, MSN, Clinical Educator, The Children’s Hospital of Southwest Florida
   - Georgine Kruedelbach, RN, BSN, CEN, Infection Control Practitioner, Epidemiology & Infection Control
   - Cindy Merrill, Oncology Genetics Counselor, Regional Cancer Center
   - Tammy Walrod, BA, Clinical Reimbursement Specialist, The Rehabilitation Hospital
   - Francine Zabkar, RN, BSN, PCCN, Medical Progressive Care Unit, Cape Coral Hospital

6. **RECESS**
7. **RECONVENE LEE MEMORIAL HEALTH SYSTEM BOARD MEETING**
8. Minutes of June 25, 2009  (Lisa Sgarlata, Vice President/Nursing/LMH)  **(Approval)**
   - Medical Staff Lunch Meeting and Board of Directors Meeting
   (Lisa Sgarlata, Vice President/Nursing/LMH)
    (Donna Giannuzzi, RN, Chief Patient Care Officer/HPMC)
11. Medical Staff Business  **(All Directors)**
    (Thomas Presbrey, M.D., PLC Chairman)
    B. Recommendations 8/14/09 Lee Memorial Hospital/HPMC  **(Approval)**
    C. Recommendations 8/14/09 Cape Coral Hospital  **(Approval)**
    D. CCH Med Exec Recommendation – Tucker Greene, MD  **(Action)**
    E. Recommendations 8/14/09 Gulf Coast Medical Center  **(Approval)**
12. Consent Agenda  **(All Directors)**  **(Approval)**
    - Introduction of Mary Pat Roleke–2009-2010 CCH Auxiliary President
14. Old Business
15. New Business
16. President’s Report  **(Jim Nathan, CEO/President)**
17. Board of Directors’ Liaison Report  **(Linda Brown, MSN, ARNP)**
19. **Date of the next LEE MEMORIAL HEALTH SYSTEM BOARD MEETING**
    September 24, 2009, Gulf Coast Medical Center Community Room
    12:00 Lunch Meeting with Medical Staff and  1:00pm Full Board Meeting
20. **ADJOURNMENT**
PUBLIC INPUT – AGENDA ITEMS:

Any public input pertaining to items on the Agenda is limited to three minutes and a “Request to Address the Board of Directors” card must be completed and submitted to the Board Assistant prior to meeting.

Refer to Board Policy: 10:15E: Public Addressing the Board

Non-Agenda Item:
Individuals wishing to address the Board on an item NOT on the Agenda, the Board office must be notified of subject matter at least seven (7) days prior to the meeting to allow staff time to prepare and to insure the matter is within the jurisdiction of the Board.
RECOGNITIONS:

LMHS BOARD OF DIRECTORS
2009 “Doc Coggins” COMMITMENT TO EXCELLENCE AWARD WINNERS

Wayne Brightshue, Lead Plant Operations Technician III, HealthPark Care Center
Diane Clifton, RN, Cardiovascular Neurology Recovery Unit, Gulf Coast Medical Center
Pat Dolce, Public Affairs Specialist, System Press and Public Information, Fountain Court
Sharon L. Glenn, CNAA, Post Anesthesia Care Unit, HealthPark Medical Center
Kwee Green, CNM, Certified Nurse Midwife, Lee OB/GYN Associates
Debbie D. Hansen, Recruitment Assistant, Employment Recruitment Center
Anetria Hogue, CNAA, Pediatric Intensive Care Unit, The Children’s Hospital of Southwest Florida
Brigid Kleischmidt, RN, MSN, Clinical Educator, The Children’s Hospital of Southwest Florida
Georgine Krueldlbach, RN, BSN, CEN, Infection Control Practitioner, Epidemiology and Infection Control, Cape Coral Hospital
Cindy Merrill, Oncology Genetics Counselor, Regional Cancer Center
Tammy Walrod, BA, Clinical Reimbursement Specialist, The Rehab Hospital
Francine Zabkar, RN, BSN, PCCN, Medical Progressive Care Unit, Cape Coral Hospital
Congratulations!

BOARD OF DIRECTORS

2009

“Doc Coggins”

Commitment to Excellence Award Winners!
Wayne Brightshue

Lead Plant Operations Tech III

HealthPark Care Center

Ambulatory & Strategic Services Division
Diane Clifton, RN
Cardio Neurology Recovery Unit
Gulf Coast Medical Center
Patient Care Division
Pat Dolce
Public Affairs Specialist
System Press & Public Information
Financial & Institutional Services Division
Sharon L. Glenn, CNAA

CNA- Advanced Surgical Services, Pre-Op

HealthPark Medical Center

Patient Care Division
Kwee Green, CNM
Certified Nurse Midwife
Lee OB/GYN Associates
Patient Care Division
Debbie D. Hansen
Recruitment Assistant
Employment Recruitment Center
Human Resources Division

PAY TO THE ORDER OF Debbie Hansen
ONE THOUSAND AND 00/100 DOLLARS

Lee Memorial Health System

DATE 8/3/09

Board of Directors "Doc Coggins"
Commitment to Excellence Award Winner

Congratulations!
Anetria Hogue, CNAA

CNA-Advanced
Pediatric
Intensive
Care Unit

The
Children’s
Hospital
of Southwest
Florida

Patient Care Division
Brigid Kleischmidt, RN, MSN
Clinical Educator
The Children’s Hospital of Southwest Florida
Patient Care Division
Georgine Kruedelbach, RN, BSN, CEN
Infection Control Practitioner
Epidemiology & Infection Control
Clinical & Quality Services Division
Cindy Merrill

Oncology Genetics Counselor

Regional Cancer Center

Patient Care Division
Tammy Walrod, BA

Clinical
Reimbursement Specialist
The Rehab Hospital

Ambulatory & Strategic Services Division
Francine Zabkar, RN, BSN, PCCN
Medical Progressive Care Unit
Cape Coral Hospital
Patient Care Division
Lee Memorial Health System
Board of Directors
Recognizes and Awards

2009 Winners!

2009 “Doc” Coggins
Commitment to Excellence Award

Board of Directors
District 1 – Steve Brown, MD • Marilyn Stout
District 2 – Richard Akin • Nancy McGovern, RN, MSM
District 3 – Lois Barrett, MBA • Linda L. Brown, MSN, ARNP
District 4 – Frank La Rosa • Dawson McDaniel
District 5 – Kerry Babb • James Green
RECESS
LEE MEMORIAL
HEALTH SYSTEM
BOARD MEETING

TO CALL TO ORDER:
LEE COUNTY
TRAUMA SERVICES
DISTRICT
ADJOURN
LEE COUNTY
TRAUMA SERVICES
DISTRICT

RECONVENE:
LEE MEMORIAL
HEALTH SYSTEM
BOARD MEETING
# LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS
## MEDICAL STAFF LUNCH MEETING MINUTES
### Thursday, June 25, 2009

**LOCATION:** Cape Coral Hospital Auxiliary Meeting Room

**MEMBERS PRESENT:** Richard Akin, Board Chairman; Nancy McGovern, RN, MSM, Board Vice Chairman; Marilyn Stout, Board Treasurer; Lois Barrett, MBA, Board Secretary; Linda Brown, MSN, ARNP, Director; Dawson McDaniel, Director; Kerry Babb, Director; James Green, Director

**MEMBERS ABSENT:** Steve Brown, M.D., Director; Frank La Rosa, Director

**OTHERS PRESENT:** James Nathan, President/CEO; Mary McGillicuddy, Chief Legal Officer; Cathy Stephens, Board of Directors’ Liaison; Larry Antonucci, M.D., Chief Administrative Officer/CCH; Tom Presbrey, M.D., Chairman/Physician Leadership Council; Sandy Wharton, System Director/Medical Staff Services; Karen Krieger, System Director/Public Affairs; Kate Doyle, M.D., Guest; Tim Dougherty, M.D., Guest; Donn Fuller, M.D., Guest; V.J. Ganatra, M.D., Guest; George Kovacevic, M.D., Guest; Louis Magas, M.D., Guest; David Reardon, M.D., Guest; Isabel Firth, Administrative Secretary/Board of Directors; Beth Kilgore, Executive Secretary/Board of Directors

**NOTE:** Documents referred to in these minutes are on file by reference to this meeting date in the Office of the Board of Directors and on the Board of Directors website at [www.leememorial.org/boardofdirectors](http://www.leememorial.org/boardofdirectors), for public inspection.

<table>
<thead>
<tr>
<th>SUBJECT</th>
<th>DISCUSSION</th>
<th>ACTION</th>
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<tr>
<td><strong>MEETING CALLED TO ORDER</strong></td>
<td></td>
<td>The LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS MEDICAL STAFF LUNCH was CALLED TO ORDER at 12:35p.m. by Board Chairman Richard Akin. The Board sits as the Lee Memorial Health System Board of Directors of Gulf Coast Medical Center, Lee Memorial Hospital, HealthPark Medical Center and the Board of Directors of its subsidiary corporations: Cape Memorial Hospital, Inc. doing business as Cape Coral Hospital; Lee Memorial Medical Management, Inc.; Lee Memorial Home Health, Inc.; and HealthPark Care Center, Inc.</td>
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<td><strong>WELCOME AND INTRODUCTIONS</strong></td>
<td>Richard Akin welcomed the physicians and thanked them for attending the lunch. He said the purpose for the lunch today is to create an opportunity for physicians to communicate and interact with the Board directly. He said there is no agenda for the lunch and welcomes all to discuss any issues or concerns freely. He said the goal is to create solid relationships between the medical staff, Board and System leaders and staff. The Board and physicians introduced themselves.</td>
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<td><strong>DISCUSSION</strong></td>
<td>Discussion ensued with regard to the following topics: The structure and layers of middle management in the System with regard to resolving issues Improving interdepartmental communication Restructuring management, creating accountability and responsibility Creating open dialogue between the Board and physicians through individual Board liaison roles Issues pertaining to the current information system with regard to patient identifiers System and departmental uniformity and implementing local autonomy</td>
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<td><strong>CLOSING REMARKS</strong></td>
<td>Richard Akin thanked all for their active participation and discussion.</td>
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<td><strong>NEXT REGULAR MEETING</strong></td>
<td>The date of the next LMHS Board of Directors Medical Staff Lunch meeting will be 12:00pm, August 27, 2009, Gulf Coast Medical Center Community Room.</td>
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<td><strong>ADJOURNMENT</strong></td>
<td>The Lee Memorial Health System Board of Directors Medical Staff Lunch Meeting was ADJOURNED at 1:02p.m. by Board Chairman Richard Akin.</td>
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Minutes were recorded by Beth Kilgore, Executive Secretary/Board of Directors Office

Linda Brown, MSN, ARNP
Board Secretary
### LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS

#### MEETING MINUTES

**Thursday, June 25, 2009**

**LOCATION:** Cape Coral Hospital Auxiliary Meeting Room

**MEMBERS PRESENT:** Richard Akin, Board Chairman; Nancy McGovern, RN, MSM, Board Vice Chairman; Marilyn Stout, Board Treasurer; Lois Barrett, MBA, Board Secretary; Linda Brown, MSN, ARNP, Director; Dawson McDaniel, Director; Kerry Babb, Director; James Green, Director

**OTHERS PRESENT:** James Nathan, President/CEO; Alison Ash, Esq., Fowler & White; Mary McGillicuddy, Chief Legal Officer; Teri Isacson, System Director/Legal Counsel; Cathy Stephens, Board of Directors’ Liaison; John Wiest, Chief Financial and Institutional Services Officer; CB Rebsamen, M.D., Chief Medical Officer/Ambulatory and Strategic Services; Jon Cecil, Chief Human Resources Officer; Donna Giannuzzi, RN, Chief Patient Care Officer; Larry Antonucci, M.D., Chief Administrative Officer/CCH; Charles Swain, Chief Compliance and Internal Audit Officer; Lisa Sgarlata, RN, Vice President/Nursing Services/LMH; Tom Presbrey, M.D., Chairman/Physician Leadership Council; Karen Krieger, System Director/Public Affairs; Donna Bradish, Director/Volunteer Services/LMH/HPMC; Reverend Tom Brennar/Spiritual Services; Jack Hess, Auxiliary President/CCH; Anna Lou Sonderman, Auxiliary President/GCMC; Sandi Falk, RN, Guest; Kurt Goerke, Guest; Kevin Mikolashek, Guest; John Ritrosky, M.D., Guest; Jennifer Reed, Reporter/News-Press; Isabel Firth, Administrative Secretary/Board of Directors; Beth Kilgore, Executive Secretary/Board of Directors

*NOTE: Documents referred to in these minutes are on file by reference to this meeting date in the Office of the Board of Directors and on the Board of Directors website at [www.leememorial.org/boardofdirectors](http://www.leememorial.org/boardofdirectors), for public inspection.*

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<td></td>
<td></td>
<td>The LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS meeting was CALLED TO ORDER at 1:18p.m. by Board Chairman Richard Akin. The Board sits as the Lee Memorial Health System Board of Directors of Gulf Coast Medical Center, Lee Memorial Hospital, HealthPark Medical Center and the Board of Directors of its subsidiary corporations: Cape Memorial Hospital, Inc. doing business as Cape Coral Hospital; Lee Memorial Medical Management, Inc.; Lee Memorial Home Health, Inc.; and HealthPark Care Center, Inc.</td>
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### PUBLIC INPUT

There was NO “Public Input”.

### INVOCATION AND PLEDGE OF ALLEGIANCE

The Invocation and Pledge of Allegiance was given by Reverend Tom Brenner.

### RECOGNITIONS

American Lung Association Award for LMHS’ Tobacco Free Lee Project

Kurt Goerke from the American Lung Association introduced himself and said the country has come a long way with tobacco issues. He said our society as a whole has made great progress in various stop smoking initiatives and LMHS has been a great contributor to these efforts. He said the LMHS Tobacco Free Lee project is having a positive ripple effect into the community. Kurt said tobacco use creates major health issues and LMHS has stepped up to the plate as role models for people and organizations in the community. Kurt introduced Kevin Mikolashek from Colonial Bank. Kevin thanked LMHS and those involved in the Tobacco Free Lee Project and presented them with an Award for their efforts in the fight against tobacco use.

CCH Auxiliary Breeze Awards

Dawson McDaniel said the LMHS auxiliaries provide funding for so many areas in the System and we are so fortunate to have such successful auxiliaries. He said the Cape Coral Hospital Auxiliary has recently been awarded with the Breeze Award in three different areas: best gift shop in Cape Coral, best thrift shop in Cape Coral, and best services organization. Dawson McDaniel presented the Breeze Award to Jack Hess.

### MEETING MINUTES

Linda Brown asked if anyone wished to make any additions or corrections to the Medical Staff Lunch Meeting minutes and the Board of Directors Meeting minutes of May 28, 2009.

A motion was made by Linda Brown to approve the Medical Staff Lunch Meeting minutes and the Board of Directors Meeting minutes of May 28, 2009. The motion was seconded by Nancy McGovern and it carried with no opposition.

### CAPE CORAL

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<tr>
<td><strong>HOSPITAL OPERATIONS REPORT FOR JUNE 25, 2009</strong></td>
<td>(Exhibit 1). James Green asked why the Emergency Room (ER) Patient Satisfaction scores were low. Larry said the ER satisfaction scores are directly related to high patient volumes. He said the emergency room is currently being remodeled, which decreases patient flow through the ER and increases patient wait time. He said the scores are improving and they will work toward continuing this trend.</td>
<td>A motion was made by Nancy McGovern to accept the Cape Coral Operations Report for June 25, 2009 (Exhibit 1). The motion was seconded by Marilyn Stout and it carried with no opposition.</td>
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<td><strong>MEDICAL STAFF BUSINESS</strong></td>
<td>Tom Presbrey reviewed the Physician Leadership Council (PLC) Report for June 25, 2009 (Exhibit 2). Jim Nathan said during all the June Medical Executive meetings there was in depth conversation regarding the role of a hospitalist and standards they will be held to. He said the hospitalist issue is a national issue and not unique to the System. Discussion ensued with regard to the role of a hospitalist, their relationship with the hospital, patient referrals, privileging, contracting and exclusivity, and maintaining quality care for patients.</td>
<td>A motion was made by Marilyn Stout to accept the Physician Leadership Council (PLC) Report of June 25, 2009 (Exhibit 2). The motion was seconded by Linda Brown and it carried with no opposition.</td>
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<td><strong>MEDICAL STAFF RECOMMENDATIONS</strong></td>
<td>Richard Akin asked for approval of the Lee Memorial Hospital/HealthPark Medical Center Medical Staff Recommendations of May 15, 2009 (Exhibit 3).</td>
<td>A motion was made by James Green to approve the Lee Memorial Hospital/HealthPark Medical Center Medical Staff Recommendations of June 12, 2009 (Exhibit 3). The motion was seconded by Marilyn Stout and it carried with no opposition.</td>
<td>A motion was made by Linda Brown to approve the Cape Coral Hospital Medical Staff Recommendations of June 12, 2009 (Exhibit 4). The motion was seconded by Nancy McGovern and it carried with no opposition.</td>
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<td><strong>Consent Agenda</strong></td>
<td>Richard Akin asked if anyone wished to pull any items listed on the Consent Agenda (Exhibit 6) for discussion. James Green requested to pull Consent Agenda item #8: Approval of the shortlist recommendations of general contractors to bid on the demolition of Southwest Florida Regional Medical Center, for discussion. Kerry Babb requested to pull Consent Agenda item #2: Board authorization for Board Counsel to continue providing legal support in response to a current issue of clarifying Board stipend (compensation), for discussion.</td>
<td>A motion was made by James Green to approve the remainder of the Consent Agenda (Exhibit 6). 1. Acceptance of the FY 2009, 2nd Quarter Board of Directors Budget. 2. <em>Pulled for discussion by Kerry Babb.</em> 3. A Directive for Board Counsel to research and work with the LMHS Finance administration to look into possibly amending how the Board stipend is paid. 4. Approval of the 2009 Utilization Management Plan. 5. Acceptance of the HealthPark Care Center Annual Entity Reporting Executive Summary. 6. Acceptance of the LMHS Strategic Scorecard for FYTD April 2009. 7. Approval to incorporate the approved FY 2010 tactic recommendations in the initial draft of the FY 2010 capital budget. Additional analysis and Board approval will be necessary in order for the proposed tactics to be included in the final budget. 8. <em>Pulled for discussion by James Green.</em></td>
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### SUBJECT | DISCUSSION | ACTION | FOLLOW-UP
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**With regard to Consent Agenda item #8:** Approval of the shortlist recommendations of general contractors to bid on the demolition of Southwest Florida Regional Medical Center. James asked what the timeline is for making final approval on the general contractor. Dawson said the final decision will be presented to the Board for approval in August and if approved, the demolition process will begin immediately.

9. Approval of the FY 2010 Compensation and Benefits Package as presented for inclusion in building the FY 2010 LMHS budget subject to final Board approval.
The motion was seconded by Dawson McDaniel and it carried with no opposition.

**With regard to Consent Agenda item #2:** Board authorization for Board Counsel to continue providing legal support in response to a current issue of clarifying Board stipend (compensation). Kerry said he does not require any further discussion on this matter.

A motion was made by James Green to approve the shortlist recommendations of general contractors to bid on the demolition of Southwest Florida Regional Medical Center. The motion was seconded by Marilyn Stout and it carried with no opposition.

A motion was made by James Green to approve Board authorization for Board Counsel to continue providing legal support in response to a current issue of clarifying Board stipend (compensation). The motion was seconded by Nancy McGovern and it carried with no opposition.

### SUPPORTING AGENCY BUSINESS

**CCH Auxiliary Report**
Jack Hess reviewed the Cape Coral Hospital (CCH) Auxiliary Report for June 25, 2009 (Exhibit 7). Discussion ensued.

A motion was made by Dawson McDaniel to accept the Cape Coral Hospital Auxiliary Report for June 25, 2009 (Exhibit 7). The motion was seconded by Linda Brown and it carried with no opposition.

**OLD BUSINESS**

**Lease Amendment**
Mike Smith presented the EPIC Project Lease Amendment (Exhibit 8). He said in response to Board approval of EPIC, additional space and staffing is required. He said the current lease of space at the 9299 College facility is being amended to expand the current facility space to accommodate additional staff needed for the EPIC project. Mike said he needs to move quickly on this project and this topic could not have waited for the next committee meeting in August. Richard Akin requested to revise the specific proposed motion, delegating Dawson McDaniel, Facilities Liaison, rather than himself to work on the EPIC project lease amendment negotiations.

Discussion ensued regarding build out costs associated with the lease amendment. Mary McGillicuddy said since the Board does not have the actual build out cost for the lease amendment, she suggested approving the lease today and to negotiate the build out cost at a later date. John Wiest said discussing cost negotiations today is not appropriate and suggested calling a special meeting in the future to discuss this in further detail.

A motion was made by James Green to approve authorizing Dawson McDaniel (Board of Directors’ Facilities Liaison) and John Wiest and/or Jim Nathan to approve lease amendment to expand the Information Systems facility space at 9299 College in order to accommodate space needs of staff for the Epic EMR project (Exhibit 8). The motion was seconded by Linda Brown. Nancy McGovern voted in opposition however the motion carried.

**NEW BUSINESS**

**“Sew Angelic” Donation**
Sandi Falk provided an overview on the “Sew Angelic” project, started ten years ago at HealthPark Medical Center. She said the project originally started as a hat project. She said staff and volunteers took left over scrap material and made fun surgical hats for children to wear during their surgery. She said the idea was to create laughter with the fun hats, in effort to lessen the anxiety of pediatric patients and their family. She said this project has been a culmination of volunteers, staff, and doctors working together to donate their money and time toward creating and sewing the hats. She said this project has been a huge success with over two hundred and sixty hospitals participating nationally and internationally.

A motion was made by James Green to approve authorizing Dawson McDaniel (Board of Directors’ Facilities Liaison) and John Wiest and/or Jim Nathan to approve lease amendment to expand the Information Systems facility space at 9299 College in order to accommodate space needs of staff for the Epic EMR project (Exhibit 8). The motion was seconded by Linda Brown. Nancy McGovern voted in opposition however the motion carried.
## SUBJECT

### LMR Imaging

Richard Akin said the Board has donated to this program in the past and asked the Board if they wished to donate again. The Board discussed available funds in the current budget for donations to the “Sew Angelic” program and collectively agreed to donate $1,000 dollars. Tom Presbrey also offered to match the Board’s gift with a personal donation of $1,000 dollars. Sandi thanked the Board and Tom for their generosity.

CB Rebsamen said the recommended action being presented today is due to the dissolution of a ten year joint partnership with Medical Resources, Inc. He provided background information on the LMR Radiology Dissolution (retiring equipment debt), LMR Dissolution Lease obligations (for record storage), and the Riverwalk Medical Office Park Lease (assuming lease based on urgent fire sale of facility) (Exhibit 9). He said they were unable to bring this information to a previous committee meeting for discussion because they were still in negotiations at the time however due to recent changes, action must take place as soon as possible.

### Sale of Real Property

CB Rebsamen reviewed information pertaining to the recommendation to sell property located at 1228 SE 8th Terrace, Cape Coral (Exhibit 10). He said this property will require over $100,000 dollars in repairs in the next 3 years. He said we have recently received an offer of $450,000 for the building, which is very reasonable based on current market value.

A motion was made by James Green to approve a Board donation of $1,000 dollars to the “Sew Angelic” program. The motion was seconded by Marilyn Stout and it carried with no opposition.

(Kerry Babb left the meeting at 2:44pm)

A motion was made by James Green to approve the dissolution of LMR Imaging Joint Venture effective July 31, 2009 with terms as follows: Retire the imaging equipment debt of $850,000 rather than assume the lease obligations for the equipment (Exhibit 9). The motion was seconded by Marilyn Stout and it carried with no opposition.

A motion was made by Marilyn Stout to approve LMHS entering into a three-year lease with Landlord Roger Burks for the records storage warehouse at 12990 Metro Parkway, starting July 1, 2009 to June 30, 2011 with terms as presented - subject to Board Counsel approval (Exhibit 9). The motion was seconded by Nancy McGovern and it carried with no opposition.

A motion was made by Marilyn Stout to approve LMHS assuming the assignment of the lease with Landlord Jacobs Properties Limited Partnership for the 12600 Creekside Lane, Riverwalk location, starting August 1, 2009 to August 30, 2011 with terms as presented - subject to Board Counsel approval (Exhibit 9). The motion was seconded by Nancy McGovern and it carried with no opposition.

A motion was made by Marilyn Stout to approve the sale of LMHS real property located at 1228 SE 8th Terrace, Cape Coral, FL (former Domingo/Radhakrishna building) for current offered price of $450,000 – subject to Board Counsel approval (Exhibit 10). The motion was seconded by Linda Brown and it carried with no opposition.

## PRESIDENT’S REPORT

Jim Nathan provided his President’s Report which included a presentation on U.S. Health Care Reform (Exhibit 11). Discussion ensued regarding employer provided insurance and creating different incentives for physicians.

## BOARD LIAISON REPORTS

### Nancy McGovern, RN, MSM

Nancy McGovern reviewed her Board Liaison Report (Exhibit 12).

### Marilyn Stout

Marilyn Stout reviewed her Board Liaison Report (Exhibit 13).

## BOARD LIAISON REPORT - Summer at a Glance Calendar

Cathy Stephens reviewed the Board of Directors Summer at a Glance Calendar (Exhibit 14) highlighting meetings and special events being held throughout the summer months. She said the calendar was revised to reflect the new date for the “Doc Coggins” Award Selection Breakfast, Friday, July 31, 2009.
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<tr>
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<tbody>
<tr>
<td>Happy Birthday</td>
<td>Happy Birthday wishes went to Charles Swain and Gaile Anthony, both on June 28th. Cathy said all documents pertaining to the meeting can be reviewed on the LMHS Board of Directors website at <a href="http://www.leememorial.org/boardofdirectors">www.leememorial.org/boardofdirectors</a>.</td>
</tr>
<tr>
<td>NEXT REGULAR MEETING</td>
<td>The date of the next *REGULAR meeting of the Lee Memorial Health System Board of Directors is Thursday, August 27, 2009, Gulf Coast Medical Center Community Room, 12:00 p.m. Medical Staff Lunch meeting followed by the 1:00 p.m. Full Board of Directors meeting. *There are NO Board meetings in July.</td>
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<tr>
<td>ADJOURNMENT</td>
<td>The Lee Memorial Health System Board of Directors Meeting was ADJOURNED at 3:56p.m. by Richard Akin Board Chairman.</td>
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Minutes were recorded by Beth Kilgore, Executive Secretary/Board of Directors Office

Linda Brown, MSN, ARNP
Board Secretary
Lee Memorial Hospital  
Operations Report to the Board of Directors  
Gaile Anthony, Chief Administrative Officer LMH  
August 27, 2009

Key Facility Statistics Include:

- **Admissions** YTD budget 8,349, YTD actual of 9,252 (over budget by 10.8%)
- **Average LOS** YTD budget 5.01 days, YTD actual 5.40 days (7.8% variance)
- **ER Visits** YTD budget 35,564, YTD actual 34,971 (under budget by 1.7%)
- **ER Admits** YTD budget 6,121, YTD actual 7,770 (over budget by 26.9%)
- **Surgery Cases*** LMHS System Budget 2009 YTD 32,694, actual YTD 29,345, 3,349 cases under budget (10.2%).  
  LMH budget YTD 7,266, actual cases 7,078 YTD (<188 cases or 2.6% under budget YTD).
- **Gain From Operations** budget YTD $18.9 million – YTD actual $25.4 million (up 33.9%)
- **Strong June** - Admissions 19% over prior year, 24% over prior year patient days

**Patient Satisfaction – Second Quarter**

- Inpatient patient satisfaction likelihood to recommend score is 82.2.
- The Emergency Department patient satisfaction overall rating score is 76.3. Significant drop due to patients and families expressed dissatisfaction with holding in the ER. Management team in process of planning to open 2-West as a nursing unit next season.

**Highlights For Third Quarter 2009**

- The Spine Unit on 2 West opened late June. The Outpatient Spine Center open at The Sanctuary on Colonial Blvd. The team will consist of a Physiatrist, Physical Therapist and a Nurse Navigator. A marketing plan has been developed.
- The 3 West 15-bed Senior Behavioral Health unit continues to identify and evaluate appropriate patients to be treated on this unit. YTD have had 97 admissions to the unit. (5 months)
- The All Star Total Joint Program continues to grow in volume with high patient satisfaction outcomes. The panel of four Orthopedic Surgeons continues to work closely with the CAOs and LeeSar to evaluate the success of the Joint Implant Matrix and to address the introduction of new implant technology. The entire process and relationships are moving in a positive direction. When there are issues with implant vendors, the panel is notified and then gives direction to the management team.
- The Infusion Center located in the MOC at LMH reopened on May 13. The Center reopened to accommodate patients from the System who need antibiotic therapy on a outpatient basis and can be discharged from the Acute Care Hospital and then treated as an outpatient. Opening the Center will help to decrease LOS with more appropriate care being delivered in the outpatient setting. In one month they have facilitated 312 infusions.
- Continue to work on Patient Safety, HCAHPS and Patient Flow (Capacity) to facilitate our increased volumes and anticipated volumes for the upcoming season.
HealthPark Medical Center
Operations Report to the Board of Directors
Donna Giannuzzi, Chief Administrative Officer
August 27, 2009

For Fiscal Year To Date through July 31, 2009

**Key Facility Statistics:**
- **Admissions:** Budget = 17,853  Actual = 18,356  (+2.8% Variance)
- **Average Length of Stay:** Budget = 4.62 days  Actual = 4.83 days (-4.6% Variance)
- **ER Visits:** Budget = 41,577  Actual = 45,559 (+9.6% Variance)
- **Surgery Cases:** Budget = 8,978  Actual = 9,319 (+3.8% Variance)
- **Gain from Operations:** Budget = $67.3 million  Actual = $66.8 million ($473k variance or -.7%)

**Patient Satisfaction:**
The inpatient patient satisfaction “likelihood to recommend” score for October ’08 to July ’09 is 89.8. Emergency Services is 80.6.

**Highlights**

*Women’s and Children*
- Extensive planning is underway to open the CCH Pediatric unit on Oct 19th, 2010. This unit will be staffed with experienced Pediatric RN’s and Pediatric Hospitalist.
- The Pediatric Intensive Care Unit is planning the implementation of Patient and Family Centered Care (PFCC). Some of the PFCC initiatives are in the development phase and will be implemented prior to season.
- The Children’s Hospital of SW Florida was represented at the Naples Chamber of Commerce Business Expo on August 20th providing information regarding our healthcare programs serving the children of Collier County.

*HPMC*
- An Open Heart Patient Reunion Luncheon was held on April 28th with patients, families, physicians, and staff from surgery, critical care, surgical progressive care and cardiac rehab. The purpose of the reunion is to gain insight for improving the patient/family experience as well as reconnection with the patient and their family.
- Dr. Brian Mason a Neuro-Interventional Radiologist has joined the practice of Dr. Eric Eskiglu. Their office will be located on the first floor at HPMC Many clinical trials require the physician’s clinic area to be located within the acute care facility and this location supports the requirement.
- Preparations are underway to reopen six critical care beds for the care of the neurovascular patient.
- HealthPark Medical Center along with Lee Memorial Hospital, Gulf Coast Medical Center and Cape Coral Hospital is participating in a statewide project titled “on the CUSP (Comprehensive Unit Based Safety Program): Stop blood stream infections in Florida’s ICU’s” sponsored by Florida Hospital Association along with hospitals in Florida the project also includes hospitals from Massachusetts, Ohio and Pennsylvania.
- Dr’s. Churchill and Shannon introduced a new technology to SW Florida and The Children’s Hospital on August 17. The surgeons performed a spine surgery on a 10 year old using nitinol staples. The procedure uses a “thorascopic approach” making it less invasive than traditional corrective spine surgery. This technology also allows surgeons to offer earlier intervention.
- Dr. Wagner, Pediatric Orthopedic Surgeon is joining Dr’s. Shannon and Churchill and begins September 8th.
- Neuroendovascular Services has been accepted into the Penumbra PICS Clinical Trial (use of Penumbra System for Mechanical Thrombectomy in acute stroke). This brings the number of EVL clinical trials up to eight.

**Patient Care Services:**

- Kandy Dewitt, Director of Surgical Services, was inducted as President of the local AORN Chapter.
- The Nursing Research Council’s Fellowship Sub-Committee selected 3 nurses for the 2009-2010 fellowship program. All fellows will be implementing an evidence-based practice change on their respective units and are supported by the Nursing Research Fellowship Fund (anonymous donor) or the Zobrist Cardiac Care Research Fund.
  - The selected fellows include: (1) Gina McCandless RN, MICU, LMH will be implementing early progressive mobility with ventilated patients, (2) Elizabeth Finn BSN, RN,C, Family Birth Place, CCH, is investigating use of abdominal binders and possibly other nonpharmacological interventions in the cesarean patient, (3) Terri Rush BSN, RN, Orthopedics, LMH will be implementing best practice in the prevention of venous thromboembolism in the total joint patient.
- Cardinal Grant: Lee Memorial Health System has been selected as a 2009 grant recipient for implementing an innovative system-wide evidenced-based Asthma Management Program to ensure consistent, safe medication administration and reconciliation through out the continuum of care. Lee Memorial Health System has received a grant in the amount of $35,000 to help drive the improvements in healthcare effectiveness and patient safety.
- Sandi Falk, RN Pediatric Specialist has written an article describing the work that HealthPark OR does with local schools with their “Teddy Bear Clinics”. “Teddy Bear Clinics” has been accepted for publication into the national publication, “OR Nursing 2009”.
LEE MEMORIAL HEALTH SYSTEM
BOARD OF DIRECTORS
MEETING
MEDICAL STAFF BUSINESS
Physician Leadership Council (PLC) Report

(Thomas Presbrey, M.D., PLC Chairman)

(ACCEPT)
Summary of MEC Meetings

- **GCMC – Dr. Correnti – August 10\(^{th}\), 2009**
  - Patient safety culture presentation by Craig Clapper was reviewed.
  - Universal Protocol report was reviewed and accepted.
  - Medical Staff restructuring into new categories of either Active or Associate staff has begun with letters to all staff.

- **CCH – Dr. Reardon – August 13\(^{th}\), 2009**
  - Patient safety culture presentation by Craig Clapper was reviewed.
  - Universal Protocol report was reviewed and accepted.
  - Medical Staff restructuring into new categories of either Active or Associate staff has begun with letters to all staff.

- **LMHS – Dr. Shannon – August 12\(^{th}\), 2009**
  - Patient safety culture presentation by Craig Clapper was reviewed.
  - Medical Staff restructuring into new categories of either Active or Associate staff has begun with letters to all staff.

Additional Comments:
The PLC will hold its next regular meeting in September. We are now going to begin addressing topics that have system wide implications for patient safety, quality, and coverage. This evening the ER Task Force is meeting to consider issues of allocation of ER back up call and ENT call coverage. A new Task Force will be formed to directly address the issues the System and Medical staff face concerning Hospitalists and their roles. The PLC will continue to function as a conduit for communication and a forum for discussion amongst the Facility MECs, the System Administration, and the Board of Directors.

Thank you for your attention.

Tom Presbrey, MD  PLC Chairman
MEMORANDUM

To: Board of Directors
From: Sandra L. Wharton, CPMSM, CPCS
System Director, Medical Staff Services
Date: August 14, 2009
Subject: Lee Memorial Health System (Lee Memorial Hospital and Health Park Medical Center) Medical Staff Recommendations

The Executive Committee of the Medical Staff recommends the following physicians and allied health practitioners and certifies they have met the requirements set forth in the bylaws:

1. Associate Staff Appointments:
   a. Fadi Abu Shahin, M.D. – Gyn Oncology
   b. Dmitriy Chatskiy, D.O. – Internal Medicine
   c. Khaza Chowdhury, M.D. – Internal Medicine
   d. Cesar Escudero, M.D. – Family Practice
   e. David S. Gerson, M.D. – Diagnostic Radiology
   f. Deborah M. Gerson, M.D. – Pathology
   g. Raymond Johnson, M.D. – Psychology
   h. Donna Lanthier, M.D. – Physical Medicine & Rehabilitation
   i. Jose Perez, M.D. – Internal Medicine
   j. Tracey Richardson, M.D. – Family Practice
   k. Gilberto Riveron, M.D. – Family Practice
   l. Chad Simmons, D.P.M. – Podiatry
   m. Gregory Sonn, D.O. – Family Practice
   n. Bakthavatsalam Vardhini, M.D. – Internal Medicine
   o. Trini Vega, M.D. – Internal Medicine
   p. Matthew Wagner, M.D. – Orthopedic Surgery
   q. Rebecca Kosloff, M.D. – Oncology/Hematology
   r. Andrew Lipman, M.D. – Oncology/Hematology

2. Privilege Request:
   a. Eric Eskioglu, M.D. – Neurosurgery (vagus nerve stimulation for pediatric patients)
3. Advancements from Provisional to Active Staff:
   a. Jose E. Colon, M.D. – Pediatric Neurology
   b. Duane Cumberbatch, M.D. – Podiatry
   c. William Mark Felt, M.D. – Emergency Medicine
   d. Suzanne Felt, M.D. – Emergency Medicine
   e. Olga V. Fraga, M.D. – Pediatrics
   f. Juan J. Hernandez, M.D. – Family Practice
   g. Sandra M. Jara, M.D. – Gastroenterology
   h. Pierre Loredo, M.D. – Pediatrics
   i. Rolando T. Otero, M.D. – Pediatrics
   j. Sharik Rathur, M.D. – Diagnostic Radiology
   k. Francisco Rodriguez, M.D. – Oncology/Hematology
   l. Wei Su, M.D. – Pathology
   m. Holly Waddell, D.P.M. – Podiatry

4. Advancements from Provisional to Associate Staff:
   a. Alan B. Davidoff, M.D. – Teleradiology
   b. Dawn N. DeLavallade, M.D. – Teleradiology
   c. James C. Huhta, M.D. – Pediatric Cardiology
   d. Charles G. Turnier, M.D. – Allergy/Immunology

5. Change of Status:
   a. Joseph L. Petteruti, D.O. – General Practice, Affiliate to Honorary Staff
   b. Robert Pascotto, M.D. – Thoracic Surgery, LOA to Honorary Staff

6. Resignations:
   b. Alvaro I. Garcia, M.D. – General Surgery, effective 09-01-09

7. Allied Health Practitioners:
   a. Patrick Bredar, PA-C – Internal Medicine Associates
   b. Sandra Fee, ARNP – Employee Health
   c. Candace Klein, CRNA – Medical Anesthesia
   d. Alison Lees, ARNP – Orthopedic Associates of SW Florida
   e. Jessica McKelvie, ARNP – Dr. Del Valle
   f. Jennifer Nunley, CRNA – Medical Anesthesia
   g. Ira Saunders, PA – Dr. Marilyn Kole
   h. Carmen Sylvester, ARNP – Internal Medicine Associates
   i. Ashok Chaudhari, PA – Dr. Mahadevan
   j. Denise McPherson, ARNP – Drs. Dosani and Feroz
   k. Theresa Buckley, CNM – Dr. Kovacevic
8. Practitioners-in-Training:
   a. **Debra Dean** – PA student with Dr. Brian Taschner, 06-22-09 to 07-19-09 and Dr. Kokal 07/20/09 – 07/29/09
   b. **Mary Elisa Memon** – PA student with Dr. Kreegel, 06-22-09 to 07-29-09
   c. **Dolan Abu-Aouf** – PA student with Dr. Figueredo, 06-22-09 to 07-29-09
   d. **Dimple Desai** – PA student with Dr. Sunil Lalla, 06-22-09 to 07-29-09
   e. **Jennifer Black** – PA student with Dr. Rios, 06-22-09 to 07-29-09
   f. **Linsey Seubert** – PA student with Dr. Rios, 06-22-09 to 07-29-09
   g. **Mary Beth Gelormine** – PA student with Dr. Howell, 06-22-09 to 07-29-09
   h. **Renuka Deonarinesingh** – PA student with Dr. Howell, 06-22-09 to 07-29-09
   i. **Michael Dale** – PA student with Dr. Kole, 06-22-09 to 07-29-09
   j. **Dee Steeb** – PA student with Dr. Shannon, 07-13-09 to 07-29-09
   k. **Medical Students – 08-31-09 to 05-31-11:**
      - **Alicia Bowlin** – Kansas City
      - **Jennifer Capra** – Kansas City
      - **Elizabeth Elman** – Kansas City
      - **Mohamed Elsagga** – Kansas City
      - **Robert Lofgren** – Kansas City
      - **Amber Mackey** – Kansas City
      - **Khirstin McAfee** – Kansas City
      - **Michelle Owens** – Kansas City
      - **Jeffrey Reboul** – Kansas City
      - **Nicholas Ruppel** – Kansas City
      - **Zachary Garner** – Kansas City (07-06-09 to 08-30-09)

Approved by the Board of Directors – August 27, 2009

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Richard B. Akin, Chairman - Board of Directors
The Executive Committee of the Medical Staff recommends the following physicians and allied health practitioners and certifies they have met the requirements set forth in the bylaws:

1. **Associate Staff Appointments:**
   a. **Khaza Chowdhury, M.D.** – Internal Medicine
   b. **Kevin Encarnacion, D.O.** – Emergency Medicine
   c. **Cesar Escudero, M.D.** – Family Practice
   d. **David S. Gerson, M.D.** – Diagnostic Radiology
   e. **Deborah M. Gerson, M.D.** – Pathology
   f. **Madhava Pally, M.D.** – Cardiology
   g. **Jose Perez, M.D.** – Internal Medicine
   h. **Gilberto Riveron, M.D.** – Family Practice
   i. **Aneeta Samuel, M.D.** – Internal Medicine
   j. **Chad Simmons, D.P.M.** – Podiatry
   k. **Gregory Sonn, D.O.** – Family Practice
   l. **Bakthavatsalam Vardhini, M.D.** – Internal Medicine
   m. **Rebecca Kosloff, M.D.** – Oncology/Hematology
   n. **Andrew Lipman, M.D.** – Oncology/Hematology

2. **Privilege Request:**
   a. **Aneeta Samuel, M.D.** – EKG Class II

3. **Advancements from Provisional to Active Staff:**
   a. **Jose E. Colon, M.D.** – Pediatric Neurology
   b. **Duane Cumberbatch, M.D.** – Podiatry
   c. **Aparna Eligeti, M.D.** – OB/Gyn
   d. **Olga V. Fraga, M.D.** – Pediatrics
   e. **Juan J. Hernandez, M.D.** – Family Practice
f. Sandra M. Jara, M.D. – Gastroenterology
g. Pierre Loredo, M.D. – Pediatrics
h. Louis T. Magas, M.D. – Diagnostic Radiology
i. Rolando T. Otero, M.D. – Pediatrics
j. Sharik Rathur, M.D. – Diagnostic Radiology
k. Francisco Rodriguez, M.D. – Oncology/Hematology
l. Michael T. Schultz, M.D. – Emergency Medicine
m. Wei Su, M.D. – Pathology
n. Holly Waddell, D.P.M. – Podiatry

4. Advancements from Provisional to Associate Staff:
   a. Alan B. Davidoff, M.D. – Teleradiology
   b. Dawn N. DeLavallade, M.D. – Teleradiology

5. Change of Status:
      Robert Pascotto, M.D. – Thoracic Surgery, Honorary

6. Resignations:
   a. Richard Otto, M.D. – Internal Medicine, effective 01-19-09
   b. Robert M. Esposito, D.O. – Emergency Medicine, effective 07-02-09
   c. Michael A. George, M.D. – Emergency Medicine, effective 07-02-09
   d. Alvaro Garcia, M.D. – General Surgery, effective 09-01-09

7. Allied Health Practitioners:
   a. Patrick Bredar, PA-C – Internal Medicine Associates
   b. Sandra Fee, ARNP – Employee Health
   c. Candace Klein, CRNA – Medical Anesthesia
   d. Alison Lees, ARNP – Orthopedic Assoc. of SW Florida
   e. Jessica McKelvie, ARNP – Dr. Emilio Del Valle
   f. Jennifer Nunley, CRNA – Medical Anesthesia
   g. Ira Saunders, PA – Dr. Kole
   h. Carmen Sylvester, ARNP – Internal Medicine Associates
   i. Ashok Chaudhari, PA – Dr. Mahadevan
   j. Denise McPherson, ARNP – Drs. Dosani and Feroz
   k. Theresa Buckley, CNM – Dr. Kovacevic
8. Practitioners-in-Training:
   a. **Dolan Abu-Aouf** – PA student with Dr. Figueredo, 06-22-09 to 07-29-09
   b. **Dimple Desai** – PA student with Dr. Sunil Lalla, 06-22-09
   c. **Dee Steeb** – PA student with Dr. Darrick Saunders, 06-22-09 to 07-13-09
   d. **Dolan Abu-Aouf** – PA student with Dr. Hannan, 08-03-09 to 08-26-09
   e. **Renuka Deonarinesingh** – PA student with Dr. Salman, 08-03-09 to 08-26-09
   f. **Michele Javaherian** – PA student with Dr. Humbert, 08-03-09 to 08-26-09
   d. Medical Students – 08-31-09 to 05-31-11:
      - **Alicia Bowlin** – Kansas City
      - **Jennifer Capra** – Kansas City
      - **Elizabeth Elman** – Kansas City
      - **Mohamed Elsagga** – Kansas City
      - **Robert Lofgren** – Kansas City
      - **Amber Mackey** – Kansas City
      - **Khirstin McAfee** – Kansas City
      - **Michelle Owens** – Kansas City
      - **Jeffrey Reboul** – Kansas City
      - **Nicholas Ruppel** – Kansas City

Approved by the Board of Directors, August 27, 2009

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Richard B. Akin, Chairman – Board of Directors
MEMORANDUM

To:    Board of Directors
From:  Sandra L. Wharton, CPMSM, CPCS
        System Director, Medical Staff Services
Subject: Cape Coral Hospital MEC Recommendation
Date:  August 14, 2009

The Medical Staff Executive Committee of Cape Coral Hospital recommends medicine privileges for Tucker Greene, M.D. to function as a hospitalist under direct preceptorship as follows:

• Three (3) month preceptor review:
  ➢ 1st month – intensive review of a minimum of 200 patient contacts by his employer
  ➢ 2nd and 3rd month – review of one (1) out of five (5) patient admissions
Dear Sir,

We are writing to clarify the reasons why the Lee Memorial Health System Credentialing Committee has voted not to recommend Tucker Greene, M.D. for medicine privileges to function as a hospitalist. This is contrary to the recommendation made on August 14, 2009 by the Medical Executive Committee of Cape Coral Hospital to recommend medicine privileges for Dr. Greene to function as a hospitalist under a direct preceptorship.

The Credentials Committee’s concerns are as follows:

1. The core issue is that Dr. Greene has no formal training in general inpatient medicine. His board certifications are in Emergency Medicine and Medical Toxicology. Medical Toxicology is a subspecialty board under the American Board of Emergency Medicine; it is not a recognized subspecialty board under the American Board of Internal Medicine or Family Practice. As a result, the Credentials Committee made the determination that he lacks the basic training required to receive privileges for general in-patient medicine.

2. A preceptorship is only relevant if a physician has appropriate training and there is a perceived need for further assessment to ensure current competency. A preceptorship is never a substitute for basic training. As a result, the Credentials Committee views the Cape Coral Hospital Medical Executive Committee’s requirement of a preceptorship for Dr. Greene as not only inadequate, but also unnecessary.

3. There has been discussion by the Cape Coral Hospital Medical Executive Committee that, given Dr. Greene’s clinical competence and training as a Medical Toxicologist, an exception should be made to the usual credentialing policies and procedures. A maxim for credentialing and privileging is that no exceptions should be made to policies that are designed to ensure patient safety.

4. After a careful search, the Credentialing Committee could not identify any other Health Systems that have granted physicians with training limited to emergency medicine and/or medical toxicology credentials and privileges for general inpatient medicine. At this time, and to the best of our knowledge, there is no precedent for this type of credentialing activity.

In addressing Dr. Greene’s request for medicine privileges, the Credentials Committee has followed its policies and procedures, which are consistent with the Cape Coral Hospital Bylaws. While the committee members are in agreement that Dr. Greene is a capable physician, we made a decision that he should only be allowed to practice within
the scope of his prior training and expertise. Our hope is that the Board of Directors will give careful consideration to these concerns while making a decision as to whether or not to grant the request of the Cape Coral Hospital Medical Executive Committee to grant medicine privileges for Tucker Greene, M.D.

Sincerely yours,

Emad K. Salman, M.D.

John A. Churchill, M.D.
Co-Chairman, LMHS Credentials Committee

C: Board of Directors:
   Nancy McGovern, RN, MSN, Vice Chairman
   Linda Brown, MSN, ARNP, Secretary
   Marilyn Stout, Treasurer
   Stephen R. Brown, M.D.
   Lois C. Barrett, MBA
   Frank T. LaRosa
   Dawson C. McDaniel
   James Green
To: Board of Directors

From: Sandra L. Wharton, CPMSM, CPCS
      System Director, Medical Staff Services

Subject: Gulf Coast Medical Center
          Medical Staff Recommendations

Date: August 14, 2009

The Executive Committee of the Medical Staff recommends the following physicians and allied health practitioners and certifies they have met the requirements set forth in the bylaws:

1. **Associate Staff Appointments:**
   a. **Fadi Abu Shahin, M.D.** – Gyn Oncology
   b. **Darius Biskup, M.D.** – Diagnostic Radiology
   c. **Dmitriy Chatskiy, D.O.** – Internal Medicine
   d. **Khaza Chowdhury, M.D.** – Internal Medicine
   e. **Cesar Escudero, M.D.** – Family Practice
   f. **Deborah Gerson, M.D.** – Pathology, Ameripath
   g. **Rebecca Kosloff, M.D.** – Oncology/Hematology
   h. **Andrew Lipman, M.D.** – Oncology/Hematology
   i. **Guillermo Narvarte, M.D.** – Internal Medicine
   j. **Jose Perez, M.D.** – Internal Medicine
   k. **Chad Simmons, D.P.M.** – Podiatry
   l. **Bakthavatsalam Vardhini, M.D.** – Internal Medicine
   m. **Matthew Wagner, M.D.** – Orthopedic Surgery

2. **Privilege Requests:**
   a. **Brian Kurland, M.D.** – Vascular Surgery
      - Diagnostic Angiography of all vessels except cardiac
      - Therapeutic intervention including athrectomy mechanicals, laser.
      - Angioplasty including Cryoplasty
      - Stenting including covered, drug eluting & bare metal of all vascular beds except coronary and carotid
      - Caval filters
3. Advancements from Provisional to Active Staff:
   a. Cyrus Anderson, M.D. – Radiology
   b. Duane Cumberbatch, D.P.M. – Podiatry
   c. Kenneth Ellis, D.O. – Anesthesiology
   d. Juan Hernandez, M.D. – Family Practice
   e. Sandra Jara, M.D. – Gastroenterology
   g. Heather Pittman, M.D. – Pediatrics
   h. Francisco Rodriguez, M.D. – Oncology/Hematology
   i. Wei Su, M.D. – Pathology

4. Advancements from Provisional to Associate Staff:
   a. Alan Davidoff, M.D. – Teleradiology
   b. Dawn DeLavallade, M.D. – Teleradiology

5. Reinstatements Following Leave of Absence:
   a. Anne Lord-Tomas, M.D. - Gynecology
   b. Aneeta Samuel, M.D. – Internal Medicine

6. Resignation:
   a. Richard Otto, M.D. – effective 01-19-09

7. Allied Health Practitioners:
   a. Sarah Bladen, CRNA – Dr. Simeon Manalili
   b. Patrick Bredar, PA-C – Dr. Michael Lutarewych
   c. Sandra Fee, ARNP – Dr. Randall Bartholomew, Employee Health
   d. Alison Lees, ARNP – Dr. Edward Dupay
   e. Jessica McKelvie, ARNP – Dr. Emilio Del Valle
   f. Margaret O’Halloran, CRNA - Dr. Simeon Manalili
   g. Ira Saunders, PA – Dr. Marilyn Kole
   h. Wendy Suckow, PA – Dr. Larry Hobbs
   i. Carmen Sylvester, ARNP – Dr. Donald McAlpine
   j. Ashok Chaudhari, PA – addition of Dr. Mahadevan
   k. Sonia Rangeloff, ARNP – sponsor change to Dr. Teufel
   l. Denise McPherson, ARNP – addition of Dr. Dosani and Dr. Feroz

Approved by the Board of Directors – August 27, 2009

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Richard B. Akin, Chairman, Board of Directors
CONSENT AGENDA for August 27, 2009

A Director or member of the public for discussion may pull any item on the Consent Agenda. Copies of all listed items are available for review in the Meeting Agenda/Exhibits Folder in rear of the room. The remainder of the Consent Agenda can be approved by a single vote. Items pulled will be considered separately immediately following the Consent vote.

August 13, 2009 Planning Committee of the Whole:
1. Adoption of Board Policy 10.27E: Reporting and Accreditation of System Entities.
2. Acceptance of the FYTD June 2009 System Strategic Scorecard.

August 13, 2009 Quality & Education Committee of the Whole:
5. Approval of Quality and Education Committee Community Representative Appointment: Margaret Byrnes, EdS.

August 20, 2009 Finance Committee of the Whole:
7. Approval of the following 2009 Board Liaison Appointments to fill vacant positions:
   - Information Systems - Linda Brown, MSN, ARNP
   - Marketing/Public Relations - Marilyn Stout
   - Quality & Standards - Dawson McDaniel
   - Tobacco Free Lee Project – Nancy McGovern, RN, MSM
   - Quality & Education Committee of the Whole, Chairman – Steve Brown, MD
9. Approval of the sale of approximately 5.44 acres adjacent to Southwest Florida Regional Medical Center hospital property along Winkler and Evans Avenues to Healthcare Realty Trust (HRT) for a purchase price of $678,341 less deductions and pro-rations; also approving Jim Nathan, LMHS CEO authorization to execute the sales contract.
10. Approval to award the Southwest Florida Regional Medical Center demolition contract to Cross Environmental Services, Inc. for the amount of $884,676; also approving Jim Nathan, LMHS CEO authorization to sign the contract after approved legal review.
11. Approval to fund Bonita Community Health Center (BCHC), in the amount of $1,263,000 (to be paid in installments over the next 14 months (August 2009 to Sept 2010), Joint owners: Lee Memorial Health System and Naples Community Hospital will be contributing equal amounts.
14. Approval of the FY 2010 Operating Budget.
15. Approval of the FY 2010 Acute Care Hospital Room Rates.
16. Approval of the FY 2010 Capital Budget in the amount of $21,615,741 *REVISED
   (subject to the approval of the FY 2010 Operating Budget).
   *
   {As Revised- increase to $21,683,057– see attached green sheet for additional information}
DATE: August 24, 2009  
LEGAL SERVICE REVIEW? YES __ NO_x__

SUBJECT: Capital Budget FY’10 (REVISION)

REQUESTED EFFECTIVE DATE (IF APPLICABLE): October 1, 2009

REQUESTOR & TITLE: John K. Wiest, Chief Financial and Institutional Services Officer

PREVIOUS BOARD ACTION ON THIS ITEM (IF ANY)
(justification and/or background for recommendations - internal groups which support the recommendation i.e. SLC, Operating Councils, PMTs, etc.)

On August 20, 2009, the Capital Budget Requests for FY’10 were presented to the Board at the Finance Committee meeting in the amount of $21,615,741.

SPECIFIC PROPOSED MOTION:
To approve the FY’10 Capital Budget in the revised amount of $21,683,057 (subject to the approval of the FY’10 Operating Budget) in which a line item in the Radiology capital budget for an MRI compatible monitor used for pediatric sedations has been added since the meeting on August 20, 2009.

PROS TO RECOMMENDATION  |  CONS TO RECOMMENDATION
---|---
N/A | N/A

LIST AND EXPLAIN ALTERNATIVES CONSIDERED
N/A

FINANCIAL IMPLICATIONS  
Budgeted ____  Non-Budgeted ____  
(including cash flow statement, projected cash flow, balance sheet and income statement)

N/A

OPERATIONAL IMPLICATIONS  
(including FTEs, facility needs, etc.)

N/A

SUMMARY
Total capital submitted for the FY’10 budget is approximately $26 million of which approximately $4.3 million is designated as philanthropically funded for an approximate net amount of $21.7M to be funded by LMHS operating cashflow. Approval of the FY’10 Capital Budget as submitted (contingent upon approval of the FY’10 Operating Budget) is requested.
Supporting Agency Business

Introduction
Mary Pat Roleke
2009-2010
CCH Auxiliary President

(Jack Hess, Auxiliary President/CCH)
OLD

BUSINESS
NEW BUSINESS
In the fall of 2000, I served on a panel for a program in Cape Coral sponsored by the Cape Coral Chamber of Commerce. The focus was on health care. There were seven panelists including three elected officials at the state level. Each panelist was given an opportunity to share health care issues and concerns through their own eyes. After a brief break we returned to the tiered auditorium for a Q&A session.

Virtually every head and eye became fixated on the three elected officials as they were rapidly bombarded by a series of questions which were more like personal observations, requests and demands such as:

- “You need to make cost of insurance more affordable!”
- “You need to make the cost of health care more affordable!”
- “You need to help me get the drugs I need!”
- “How do I get access to care for my spouse who is seriously ill?”

The political leaders responded wisely:

- “That sounds like a federal not a state issue.”
- “I do not serve on a health care committee but if something comes up for debate on the floor, I will welcome your input.”
- “Please send a note to my office. I will have someone look into it.”

Then a lady in the front row asked, “Why is no one mentioning universal coverage?” The audience response was instant with some of the same people making demands on our elected officials rising to their feet and yelling, “We don’t need any of that damn Hillary Care!”

How interesting it was for me to observe the demands on government by the same people who were already mostly on a government health plan (Medicare) and yet opposed to exploring options to expand coverage.

This chamber program occurred roughly six years after the failure of large scale health reform at the national level. It would be another eight years before it would even remotely be politically acceptable to discuss serious comprehensive reform of the delivery and financing of health care for our nation.

As recently as 2004, a key Florida political figure shared with me, “Any politician who chooses health care for his or her mantra is a damn fool; and, by the way, you health care people just don’t get it … the health insurance companies pay us a lot more for our campaigns than you ever will!”

Now, once again our nation finds itself torn, confused and angry over the entire health care debate. We have become a sound bite nation that wants simple answers to complex problems. Health care financing and delivery certainly fits at the highest degree of complexity because of the economic, political, social, philosophical, ethical, personal, and cultural issues that intertwine with the complexity of the science and the art of medicine.

When our Board met in June, I thought it was important to review the key elements that were emerging as possible reform consensus and possible financing mechanisms. The goal in late June was to have plans in place by mid to late July. While that was only two months
ago, it is almost light years ago in the “life” of health reform. The national debates have intensified making the emotions of that forum in Cape Coral look tame and the shoe throwing incident that President Bush encountered last year in Iraq as a yawn moment. Education and information have ceded to misinformation and name calling. There are more and more individuals questioning whether reform is necessary and even wanting to put it on hold for a while.

Regardless of any of our personal political and philosophical beliefs, it is important to step back and remind ourselves why there is a push for and need for comprehensive health reform.

**Bankruptcy of Medicare**

Medicare is funded through payroll taxes. When it was in its early days, there were at least four to five workers to help fund for one Medicare eligible retiree. Prior to the recent economic decline and America’s rapid movement toward 10% unemployed, Medicare’s funding demise was already predicted for bankruptcy in 2017. That is almost tomorrow in the reality of finding solutions and funding. Medicare, which presently accounts for 14% of the federal budget, is expected to go from 40 million to 78 million enrollees by 2031.

MedPAC, the national advisory board for Medicare payments, has been working to identify ways to stop this rapid demise. MedPAC has proposed such concepts as improving funding for primary care; altering economic incentives so that providers of care would find models of collaboration designed to improve clinical outcomes while reducing unnecessary tests, procedures and readmissions; reducing payments to insurance companies exceeding usual and customary costs for Medicare in each region of the US; and strengthening negotiations for major medical supplies and drugs utilized by Medicare eligible individuals.

MedPAC recommendations have been incorporated in some ways into many health reform initiatives; however, lost in a lot of the rhetoric is that Medicare is going bankrupt at a faster pace than previously anticipated due to the current loss of jobs and economic decline. If nothing else happens, Medicare must have revisions and what happens with Medicare is often a driver of change for most major health insurers. Absent incentive changes, improved negotiations for drugs and medical supplies, and a reduction in Medicare payments to insurance companies, the only solution is to reduce payments to physicians, hospitals, nursing homes, rehab facilities, etc., … the people who actually provide the care.

Of note, the 2003 federal revisions to Medicare hastened the demise of Medicare as they did the following without any new funding source:

- Expanded drug coverage for seniors with a stipulation that the feds would not negotiate drug pricing;
- Increased payments to insurance companies over and above usual and customary fees in each market resulting in an average of paying 12% more than regular Medicare for the Medicare Advantage program in an effort to privatize the Medicare program; and
- Established a structured reduction in Medicare payments to physicians for nearly a decade.

**Physician Payment Reform**

Since the passage of Medicare reforms in 2003, there has been a statutory formula requiring annual reduction in physician reimbursement. The formula has been adjusted every year because it is not realistic; however, the federal law has not been changed. Absent a short
term or long term fix, the average reimbursement to physicians through Medicare is scheduled by federal law to decline by 20.5% in January. Fixing this complex issue will cost many billions of dollars; not fixing it will drive physicians away from treating Medicare patients and will impact future decisions by individuals choosing to spend many years in training to become a physician. The next paragraph identifies a possible funding source to help with the physician payment issue.

Medicare Advantage and Payments to Major Insurance Companies
One of the most sought after current opportunities for government savings to help fund for some of our health financing challenges is to reduce payments to insurance companies for Medicare Advantage. However, for the past couple years these same insurance companies have recognized this possibility and have worked hard to increase the number of Medicare Advantage enrollees. Virtually overnight, there are millions of Medicare eligible individuals who are now utilizing the benefits of Medicare Advantage gained through the feds higher payments and are quick to lobby politicians, “Don't take my Medicare Advantage program away from me!”

Insurance Reform is Essential
Insurance companies years ago moved away from “community rating” where actuaries would estimate the cost of health insurance based on the costs of care and the disease prevalence in a given community to determine premiums. Community rating gave way to “experience rating” where a small employer or individual with a major health issue could dramatically impact the cost of an insurance policy and in fact become uninsurable due to cost of the policy. Since this switch to experience rated insurance pricing, we have faced the rapid demise of small employer sponsored health insurance and few individuals being able to afford an insurance policy. As recently as 1993, 61 percent of small employers were still providing health insurance for their employees; today, only 38 percent of small businesses offer health insurance.

In the early stages of the current reform debates, the major health insurance companies offered to modify their experience rating policies to some degree … reports vary as to what they would cover … in return for a massive expansion of universal coverage and no new public (governmental) plan. Now that the insurance companies appear to be leaders in redefining the health reform debate, it appears less likely that experience rating will be modified. In my opinion it is an essential part of any health reform effort.

In addition, requiring “guaranteed issue” of insurance coverage to those with serious health problems as pre-existing conditions, or those who may have exceeded payout limits, coupled with community rating in a large enough pool to spread the risk and associated costs, will allow access to more affordable coverage to many who are now denied.

The reality of the Uninsured and their Impact on Everyone Else
Very few politicians today would advocate for inclusion of undocumented immigrants in any type of health reform proposal. There are no political polls showing support for this population. However, the reality is that those who are insured … primarily individual policy holders and employer sponsored health plans … already pay for undocumented immigrants since if they present in a hospital emergency room and are in need of emergency stabilizing care, they will receive it. Such care is not free and those who want to pretend it is not already a cost to our society are not willing to accept this simple fact.
But it is not just the undocumented immigrants issue, it is so much more. The uninsured are not just undocumented immigrants and not just the unemployed poor. They are people with jobs where no insurance is provided or where they cannot afford the insurance offered. In fact, almost a quarter of the nation’s non-elderly are uninsured.

The “hidden tax” aspect of how we pay for the uninsured and underinsured is a reality of our nation’s principal financing being employer sponsored. Each year as more employers reduce health benefits or drop them completely, more people become uninsured. This causes those who remain insured or are providing health insurance to employees to pick up a larger and larger hidden tax.

And equally important as a “hidden tax” or “cost shift” to that shrinking few with health insurance is the unreimbursed cost of both Medicaid and Medicare. Government funded health programs do not now cover the actual real costs of care for the patients they serve and these unreimbursed costs now exceed the costs of charity care in our Lee County area.

In our community with 13.2% unemployed and an economy based on small employers, we are in excess of 30% uninsured for those residents under the age of 65. In 2007, 35% of Lee Memorial Health System patients paid for 100% of the shortfall from Medicare, Medicaid, uninsured and underinsured. In 2008, 30% paid for these “hidden taxes” and in 2009 thus far it is 28%. This is not unique to Lee County but with our demographics we are a major trend setter!

**Chronic Disease Management**

Roughly half of all Americans suffer from at least one chronic disease. Nearly three quarters of our health costs go to five chronic conditions:

- Diabetes
- Congestive heart failure
- Coronary artery disease
- Asthma
- Depression

While one can have any of these chronic conditions or even all of them and not be obese, obesity is rampant in our nation. We have become the fattest nation in the world. Obesity heavily impacts all five of these chronic diseases. As recently as 1990, there were no states in the US with a prevalence of obesity greater than 15% and only ten states exceeded 10%. By 2007, only one state, Colorado, was under 20% while 30 states have 25% of the adult population now obese.

Health care providers are rarely compensated to help manage chronic diseases beyond episodic or crisis management. Many individuals choose to let their potential health challenges go well beyond an easy to manage state. Many uninsured and underinsured are often forced to seek care only at a crisis stage which may be life threatening and very expensive. Guess who ultimately pays for this lack of teamwork in managing the high costs of chronic diseases? Absent redirecting payment formulas and finding ways of changing our national culture, chronic disease expenses will far outdistance the overall current costs of care with our aging and fattening society.

**The “Public Option” versus “Co-ops”**

A government run public (non-Medicare) program to compete with private insurance has been a dividing point politically since the reform discussions began to emerge. In fact, to try to find a bi-partisan compromise, this option appears to be virtually unacceptable. Even
many who see its value are concerned that if too many patients switch from commercial insurance where the “hidden tax” is presently being subsidized, then the government run plan will underpay doctors, hospitals and other providers just as both Medicaid and Medicare presently do. Hence, the not-for-profit co-op option has begun to emerge as a “politically acceptable” option. Unfortunately, while the insurance companies might like this much better than competing with the public option and it may sound better politically, the reality is they will be small with limited leverage to negotiate the best rates and can easily become the place of last resort for patients the big insurance companies do not want. We will hear a lot more about co-ops versus the public option in the next few weeks!

The Death Panels!
This summary which clearly does not cover every key issue would not be complete without some reference to the supercharged issue of “death panels.” This issue has had so much emotion when it was intended to be just the opposite ... a calming “time out” to consider end-of-life planning on behalf of the patient. Less than one third of adults have a living will. Presently, Medicare does not pay for end-of-life consultation. Some Medicare Advantage plans do. The proposal was to make such consultations easily available for Medicare patients and their families. Palliative care is an emerging service through hospice and hospitals and other programs providing end-of-life assistance and achieving dignity based on the wishes of the patient. This consultative reimbursement concept was never intended to be a panel making life or death decisions. This type of emotional rhetoric has damaged a vital dialogue with the American people.

Will History Repeat Itself
Health reform has died before due to many factors such as:
  • complexity of the issues;
  • ideological differences;
  • the lobbying strength of special interest groups; and
  • changes in the power and roles of the president & Congress over the years.

We are once again at the precipice of will we or won’t we? Doing nothing because we feel we are happy with what we have does not acknowledge that what we think we have (such as Medicare or affordable health insurance) will change dramatically even without government intervention or new statutes.

The next few months will determine if once again we will go “underground” for another 15 years before there is the courage to have a major discussion on this supercharged, complex issue. Thirty second sound bites and scaremongering won’t help us determine what is best for our nation. Honest, open, educated dialogue is essential. Partisanship rancor will not result in an effective outcome for our nation’s health.
Time to Get Serious (Again) About Medicare Reform

Greg D’Angelo and Robert E. Moffit, Ph.D.

The Medicare Trustees have released the annual report on the financial status of the Medicare program.1 The Washington Post’s front page headline on the report warns of a “Medicare Collapse.”2

The basic facts are simple and dramatic:
• Medicare has an unfunded liability of almost $38 trillion;
• Medicare’s hospital insurance trust fund will become insolvent in 2017;
• Congress has ignored funding warnings; and
• American households will inherit hundreds of thousands of dollars worth of debt.

While some in Washington say that Medicare reform should wait until Congress somehow fixes the broader health care system, the truth is that Medicare itself is a major driver of health care costs. Within three years, the first wave of the gigantic baby boom generation will start to retire and impose a demand on medical services unprecedented in the nation’s history. The traditional Medicare program is not capable of absorbing such a shock without some fundamental changes.

What the Trustees Report Says. According to the 2009 Medicare Trustees Report, Medicare expenditures were $468 billion in 2008. But going forward, Medicare expenditures are projected to increase faster than workers’ wages and the economy as a whole. In 2008, Medicare’s annual costs were 3.2 percent of gross domestic product (GDP). Over the next 75 years—the time frame for long-term actuarial projections—these annual costs are projected to grow substantially, reaching 11.4 percent of GDP.

Trillions in Debt. The trustees estimate that Medicare’s long-term unfunded obligation—the benefits promised but unpaid for—totals $37.8 trillion, or more than two-and-a-half times the current size of the entire U.S. economy.

Medicare Part A—Medicare’s Hospital Insurance (HI) Trust Fund, or the part of Medicare that pays hospital bills—will again spend more in benefits than it receives in revenues. The trustees project that the HI fund will become insolvent by 2017, two years earlier than projected in last year’s report. The trustees consider the earlier insolvency of the HI trust, which was largely a consequence of the recent economic downturn and reductions in payroll tax revenues, an “urgent concern” that will “require substantial changes” even in the short term.

Medicare Part B (which pays doctors’ bills and other outpatient expenses) and Medicare Part D (which pays for prescription drugs), grouped under the Supplementary Medical Insurance (SMI) Trust Fund, will never become “insolvent.” They will just impose greater burdens on taxpayers as they automatically draw down funds from the Trea-
sury each year to pay three quarters of the medical bills incurred.

The SMI portion of Medicare will increasingly rely on larger and larger amounts of general revenues to finance the open-ended demand for medical benefits. In the short term, changes in Social Security as a consequence of the economic downturn will indirectly impact Medicare. The trustees expected that about 25 percent of Part B enrollees will face unusually large premium increases in the next two years largely due to a “hold harmless” provision in current law that limits premium increases for approximately 75 percent of seniors enrolled in Part B.

Clearly, Medicare’s fiscal challenges are large, but those challenges may, in fact, be larger than indicated by the trustees report for a number of reasons:

- The economic stimulus included Medicare incentive payments to promote the adoption of electronic medical records that could accelerate the insolvency of the HI trust fund by six months;
- Trustees projections assume current law and therefore fail to take into account the annual costs of Congress offsetting reductions in physician payments; and
- The Medicare trustees assume the growth in health care costs will slow sooner and faster than the Congressional Budget Office and other analysts predict.

**Ignoring Another Medicare Funding Warning.** Under the Medicare Modernization Act of 2003, Congress set a trigger to address Medicare’s large and growing unfunded obligation. If more than 45 percent of Medicare expenditures were projected to come from general revenues (as opposed to dedicated revenues such as payroll taxes and beneficiary premiums) within a seven-year actuarial period, the trustees would issue an “excess general revenue Medicare funding” determination in their annual report. Two consecutive “excess general revenue Medicare funding” determinations generate a “Medicare funding warning,” triggering action by the President and Congress. The President is required to address the funding warning in legislation within 15 days of the next budget, and the proposal needs to receive expedited consideration in Congress.

Given the projected growth in Medicare expenditures, for the fourth consecutive year the trustees made an “excess general revenue Medicare funding” determination, triggering the third “Medicare funding warning” as a result of the program’s excessive reliance on general revenues as part of its overall financing.

While Congress initially enacted the Medicare “trigger” in 2003 to call attention to the substantial financial challenges facing the Medicare program, the current Congress voted to ignore the trigger.3

Despite repeated public commitments to reforming unsustainable entitlement programs, President Obama’s budget submission did not include a proposal to address the funding warning issued last year. Although Congress has chosen to ignore the Medicare trigger, the requirement that the President submit reform legislation to Congress each year following a Medicare funding warning—as toothless as that requirement is—still stands.

**Ignoring Medicare Reform.** Most analysts expect the forthcoming health reform proposal to cost taxpayers $1 trillion–$1.5 trillion over 10 years. Yet the President’s budget proposal, which includes a $635 billion health care “reserve fund,” is short on real savings.

In the meantime, representatives of the health care industry have joined with the President and pledged to reduce the annual growth in health care

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costs by 1.5 percentage points—cutting $2 trillion in costs over 10 years by adopting cost-savings measures such as health information technology, care coordination, disease management, and “evidence-based” medicine.

The Congressional Budget Office and other independent analysts say that such measures are unlikely to deliver the level of savings hoped for—or required to pay for—health care reform. Most of the health care cost savings would occur in Medicare but are not dedicated to reduce the program’s obligations but rather siphoned off to financing Obama’s health care agenda.

Urgent Need for Reform. Medicare should remain as it is today for current beneficiaries. But at a date certain, Medicare should be transformed into a defined-contribution system in which the government contribution for benefits is adjusted for age, income, or health status.

The elements of reform have been discussed for many years and have been advanced by responsible analysts and public officials, including the 1999 National Bipartisan Commission on the Future of Medicare. There is no need to reinvent the wheel.

In implementing reform, the new government contribution should be based on a real market calculation of the price of medical goods and services but capped at a dollar amount each year, just as it is today in the popular and successful Federal Employees Health Benefits Program. While there are a variety of models for such a system, a defined-contribution arrangement would control the growing costs of Medicare, making those costs predictable and sustainable for seniors and taxpayers alike.

—Greg D'Angelo is Policy Analyst in, and Robert E. Moffit, Ph.D., is Director of, the Center for Health Policy Studies at The Heritage Foundation.
BOARD OF DIRECTORS’ LIAISON REPORT

Linda Brown, MSN, ARNP
BOARD OF DIRECTORS’ REPORTS
(All Members)

&

ASST TO THE BOARD REPORT
(Cathy Stephens)
# Lee Memorial Health System & Lee County Trauma Services District
## Board of Directors Meeting Calendar
### September 2009

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<th>Sunday</th>
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<td>Quality &amp; Education Committee of the Whole (LMH Boardroom)</td>
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<td>Labor Day Holiday (Board Office Closed)</td>
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<td>1:00pm Finance Committee of the Whole (LMH Boardroom)</td>
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<td>March of Dimes Signature Chefs Auction 5:30pm-8:00pm Sanibel Harbour Resort</td>
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<td>March of Dimes Signature Chefs Auction 5:30pm-8:00pm Sanibel Harbour Resort</td>
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<td>HealthPark Groundbreaking Anniversary (1988)</td>
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<td>Happy Birthday! Jim Humphrey</td>
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<td>Happy Birthday! Dawson McDaniel</td>
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<td>Board of Directors Meetings (Gulf Coast Medical Center Community Room) 12:00</td>
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<td>23</td>
<td>Medical Staff Luncheon 1:00pm</td>
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<td>Full Board Meeting</td>
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<td>Lee County Schools 14th Annual Partners in Education Breakfast 7:30am Harborside Event Center</td>
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<td>FHA conference 9/30-10/2 Orlando</td>
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<td>Happy Birthday! Lois Barrett</td>
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### Key:
- **LMH** – Lee Memorial Hospital
- **HPMC** – HealthPark Medical Center
- **CCH** – Cape Coral Hospital
- **GCMC** – Gulf Coast Medical Center

### Dates to Remember:
- Sat, Oct 10th - Annual Medical Staff Appreciation Event, Harborside
- Sat, Oct 17th – Board of Directors “Doc Coggins” Award Gala Dinner
- Fri, Oct 16th - “Helping Kids with Cancer” Radiothon
- Mon, Nov 2nd – LMHS Community Symposium, Harborside

### Questions about this schedule:
Contact the LMHS Board of Directors office at (239) 334-5943
ADJOURN

LEE MEMORIAL HEALTH SYSTEM
BOARD OF DIRECTORS
AND
LEE COUNTY TRAUMA SERVICES
BOARD OF DIRECTORS MEETING

DATE OF THE NEXT
REGULARLY SCHEDULED
FULL BOARD OF DIRECTORS MEETING:

THURSDAY, Sep 24, 2009
12:00pm – Medical Staff Lunch Meeting
1:00pm – Full Board Meeting

GULF COAST MEDICAL CENTER
COMMUNITY MEETING ROOM