

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
JUNE 19, 2012

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Special Called Meeting with representatives from Pioneer Community Hospital of Stokes, Inc. in the Third Floor Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Tuesday, June 19, 2012 at 1:30 pm with the following members present:

Chairman Ernest Lankford
Vice Chairman J. Leon Inman
Commissioner Jimmy Walker
Commissioner Ronda Jones
Commissioner James D. Booth

County Personnel in Attendance:
County Manager Richard D. Morris
Clerk to the Board Darlene Bullins

Pioneer Community Hospital of Stokes:
Administrator Jim White
Assistant Administrator Pam Tillman

Pioneer Health Services:
President Joe McNulty
Vice President of Hospital Operations Steve Fontaine
Regional Director Jerry Howell

Chairman Ernest Lankford called the Special Called Meeting to order.

Commissioner Walker delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

Chairman Lankford opened the meeting by inviting the citizens in attendance to join the Board in the Pledge of Allegiance.

Special Called Meeting

Chairman Lankford welcomed those in attendance for today's Special Called Meeting and expressed the Board's appreciation to President McNulty for taking the time to come and meet with the Board.

Hospital Update

Vice President Steve Fontaine presented the following update:

- There were three major obligations (per lease agreement) that Pioneer Health Services had to meet:
 - First commitment was to recruit doctors
 - Have recruited three doctors
 - Two doctors who have already committed to practice in Danbury will be here in the Fall of 2013
 - Both will work out of the same clinic
 - Both will admit to the hospital
 - Both will work the Emergency Room during the week
 - Third doctor has committed to practice with Dr. Sam Newsome in King and will also be here in the Fall of 2013
 - All three are in their last year of residency
 - All three know each other and all three have families
 - All want to be involved with the community
 - Feel all three doctors will work well in Stokes County
 - Requested Administrator White to brief the Board regarding changes at the hospital

Administrator Jim White presented the following update:

- Recently had a physician leave Pioneer Medical Associates
- Had a big challenge to fill a gap
- With these three new physicians coming in 2013, did not want to destroy their momentum by bringing in new physicians right now
- We have a stop gap measure – a physician is coming in the fall of 2012 to stay until the new physicians are here
- Opening up a clinic in Walnut Cove in July, will be in the doctor's office in Joe Hicks' Pharmacy building temporarily
- Plans are to build a 3,000 sq ft building on that campus next to Food Lion
- Facility will be big enough for 3 to 4 providers
- Currently working with Dr. Colletta in Walnut Cove
- Another commitment per the lease agreement was to install a sixteen slice CT Scanner
 - Have run into a few State regulations that slowed the process down
 - Should be ready to start the first of September
 - Will take about six weeks to install

- This will help rule out medical conditions seen in the Emergency Room that normally would have been shipped to another facility
- Could rule out a stroke with a CT Scan and be able to keep them here
- This will help the hospital start a stroke network where the patient can get TPA
- Want to be a first responder facility for stroke patients
- Another commitment per the lease agreement was the installation of a sprinkler system for the nursing facility (second floor)
 - Upgrades to the Danbury Water System allowed the hospital to rebid the project, lowest bid is now \$117,000 which is about \$60,000 less than the bid received before the upgrades were done
 - The project is a 50/50 cost share with the County
 - Plans must be into the State by March 2013 with completion by August 2013
- Been here since February and feels there is a tremendous opportunity for Stokes County to have its own healthcare
- Doing due diligence to see what is really needed in the County
- Want to give the citizens what they need so that the citizens will support the facilities
- Census has increased over the past few months
- Ancillary services are growing
- Good things are happening
- Feels the hospital is on the right path

Commissioner Walker requested Administrator White to speak on the services planned for the King area.

Administrator White responded:

- King presence is stable at this time
- Done about the same amount services each month (surgeries, ER visits)
- Want more out of the King area
- Have offices in the Medical Center (Baptist building) on Moore Road
- Have physical therapy and radiology in the Medical Center
- Have space for more specialists to come
- Could do three times as many surgeries
- My job is to grow the services in the King area
- Need to bring more orthopedic options to the County
- Need to bring more general surgery options to the County
- The challenge is that specialists like to be around other specialists (call situation is better)
- Working on a plan to increase surgeries
- Working on a plan to have the Emergency Room opened 24/7 with more physician coverage
- Will be doing some renovations, but main focus is to offer more services at this time

Vice President Steve Fontaine also responded:

- King situation is somewhat tricky with the presence of Mountainview Medical (Novant)
- Actually met with and talked with Dr. Volger who stated the practice is adding three more providers, very large group
- Must work with each other, will be partnering with Mountainview Medical which will provide several opportunities for each group
- Lots of referrals coming out of that facility
- Feels it will be a good partnership
- Informed Dr. Vogler of the plans to bring a new physician to Dr. Newsome's office
- Dr. Vogler agreed that was a good idea
- As Jim stated, plans are to grow ancillary services, surgery options, and ER services in the King area
- All this will work into the main plan to grow the hospital

Vice President Steve Fontaine noted the following:

- Had an architect from Georgia, who does the master plan for all Pioneer Health's hospitals, at the hospital this week
- The master plan will show the hospital as it is today and the services offered, then as a visionary
- Jim, Pam, and Pioneer Health will take the master plan and decide where the hospital should be in the next 20 years
- Very thorough process – gives you a game plan that you can start to work with
- Just completed the master plan for the hospital in Virginia

Assistant Administrator Pam Tillman noted the following:

- Installation of new radiology equipment (PAKS System) has been a tremendous success for the hospital

Chairman Lankford noted the following:

- Need for the community to support the hospital facilities
- Board is urging the community to support the hospital
- Hospital has to have a new image
- Must get the word out to the people in Stokes County about the new providers coming to Stokes County
- Need to be able to get patients from the bigger hospitals back to our hospital
- Important to keep the public aware of what is happening

Regional Director Jerry Howell noted the following:

- Must market the hospital to hospitals outside of Stokes County
- One key factor is communication

Administrator White noted:

- If a patient is transferred to another facility, we keep in touch with that facility to make sure that patient comes back to our hospital when ready

- It is a good partnership, larger hospitals don't have the beds for patients who can recover in a smaller hospital
- We have a solid marketing team that works between the two hospitals (Danbury and Stuart)
- Both hospitals' census show that the marketing is working
- It is a long, continuous venture
- Recently purchased a piece of breathing equipment that allows the hospital to treat patients that were being transferred for the particular service
- Need a speech therapist, especially for patients who have suffered a stroke

Vice Chairman Inman noted the following:

- Very pleased with the information being presented today
- Knew Pioneer was the right answer for Stokes County
- Constantly asking people about Pioneer and have received very positive comments
- Definitely need the 24/7 Emergency Room in King
- People in Walnut Cove are very excited about having a clinic
- Need to let people know what you have done since taking over the facilities in Stokes County
- Would be happy to help promote the hospital and the new services

Vice President Steve Fontaine noted:

- All of these new additions, like the new clinic in Walnut Cove, bring new jobs to Stokes County
- Clinic in Walnut Cove should create 5-6 new jobs at first and eventually more
- Working on opening up a ten-bed inpatient geriatric psych unit in the hospital which is really needed in Stokes County
- That ten-bed unit will add 16 new jobs
- Expansions in King will also create more jobs
- There will be a lot of professional job opportunities for people to come back to Stokes County to work

Commissioner Jones noted:

- Had a lot of faith in your organization from the beginning
- You have really come to the table and appreciate it very much
- Good to hear some good news for a change
- Glad to see Pioneer facilities popping up everywhere in Stokes County
- Would like to see a lot of articles in the paper about what Pioneer is doing and has planned
- County has an older population that needs medical facilities and doctors

Vice President Steve Fontaine noted:

- Planning a presentation (normally in January each year) to let the public know what is happening at the hospital
- Everything has been worked out with NC Baptist regarding the lease payments for the Medical Center; all lease payments have been paid to date

- Have a three-year commitment
- Happy with the lease, although would have liked to have had wordage included regarding the “first right of refusal or option to buy”
- Not sure that they want to sell the facility
- There have been several changes since the new CFO came on board with Baptist
- Pioneer needs to make sure buying the facility is a good sound investment
- Everything is in compliance now
- Will work with Baptist to include the wordage later in the lease agreement

Commissioner Walker questioned Vice President Fontaine regarding the diagnostic equipment? Commissioner Walker noted a situation where a doctor in King referred a patient to Winston for a basic mammogram that usually can be done in King.

Administrator White responded:

- It was probably due to the doctor wanting a digital image, ours is analog
- It is an upgrade that is needed which is very expensive to do
- A capital equipment decision that must be analyzed

Assistant Administrator Pam Tillman

- For basic mammograms, the equipment is fine
- Physician could have wanted a digital image

Commissioner Walker stated that he had questioned Novant why those patients were not referred to King and the answer has been historically that the diagnostic equipment was not up to the level that certain physicians prefer.

Administrator White also noted:

- The CT Scanner in King is a 4 slice which is outdated; 16 slice is what is needed in the county and is being considered for King
- There is no additional revenue for a digital mammogram, same revenue as an analog mammogram
- Digital mammogram machine costs approximately \$250,000
- Hard investment to make when there is no additional revenue
- There is a strategic decision made about every dollar spent so that we know there will be revenue to pay for the equipment
- Will provide the services in the County that the citizens will support
- Can't build a facility and hope they will come; have to build a facility when they come

President Joe McNulty noted:

- When we came August 2011, we had no one that would come to the hospital from King

- This month, we have had 4 admissions to the hospital from the King community
- It is all about getting our physicians and mid level providers on the same page
- Steve and everyone at the table have done a great job getting everyone on the same page
- Feel you will see dramatic changes over the next year even before the new physicians come in
- It will take probably 3 to 3 ½ years to be where the Board thinks we need to be
- Very proud of this situation
- When talking to people, I usually tell them two things that we have got to do today:
 - Do more with less, it is coming, we must prepared ourselves
 - We have got to take our patients back which doesn't mean hurting Novant in King; we must work with Novant as partners
 - Must market for patients to come back to Stokes County
- Very pleased with the results and feels it will even get better

Commissioner Booth noted:

- Came on the Board when the RFP started
- Have told Joe that the leadership of the Lord was there to bring Pioneer to Stokes County
- From the beginning, felt we were going the right way with Pioneer
- Very excited to hear the good things
- Very positive things happening, new doctors coming to Stokes County
- Appreciate all that Pioneer has done so far for Stokes County

Vice Chairman Inman noted:

- Sometimes you are better off when you don't get what you thought you really wanted, that has happened here in Stokes County
- Positive things are happening in Stokes County
- Very pleased with what I am hearing

County Manager Rick Morris noted:

- Would like for Pioneer to include in their strategic plan, the possibility of water and sewer and a community college at the Meadows location
- Meadows is the center of the county
- Have heard positive things ever since Pioneer came to Stokes County
- Must keep the communication open
- Will be glad to help in any way possible

President McNulty noted:

- Pioneer has been looking at several locations in the County
- Our commitment is to do a full presentation by the end of the year for the Board
- Have a good team working for the hospital
- Appreciate the support of the county

Commissioner Walker questioned what the hospital is doing to get the census up and what are the plans to draw patients to an older facility like the hospital?

President McNulty responded:

- Technology is the key to everything and being able to treat patients
- Being able to diagnose and treat patients with modern equipment
- But first, you must have physicians
- We have to make sure we have the providers, doctors, nurse practitioners, etc.
- We must make sure that the patient has a good outcome and most important; they want to come back
- We have got to do outreach
- The master plan will look at the facilities to see what is needed
- Could possibly redesign the inside of the hospital to meet our needs
- At the end of day with the tightness of money and no one knowing where health care is going, our goals are to have good physicians and good quality treatment for patients
- Does that mean we are not going to build a new hospital, no it does not
- It means that we have to get to where we can talk about building a new hospital
- We have to get five years down the road to see if we have an operational plan that will make sense in paying for a new hospital
- We have to work with what we have got and make sure that the citizens are going to use the facilities
- We have to have diagnostic equipment; the 16 slice scanner will soon be at the hospital
- Once the 16 slice scanner is in at the hospital, Administrator White will then start looking at what is needed in King
- Reiterated that only 8 months into the lease and very pleased with what is happening
- Reiterated very pleased with the leadership that the hospital has in place

Chairman Lankford questioned President McNulty if there was a chance of designating beds for mental health services at the hospital?

Chairman Lankford requested Vice Chairman Inman to update Pioneer on the mental health issues in the County.

Vice Chairman Inman added:

- Explained the lack of mental health beds across the state
- CenterPoint Human Services provides mental health services to the citizens of Stokes County
- Currently serve on the Board of Directors for CenterPoint
- Feels it would be a good idea to plan a meeting to include the Sheriff whose staff spends countless hours waiting for commitments to get a bed

Assistant Administrator Pam Tillman responded:

- Recently met with CenterPoint to discuss issues and the upcoming changes with the implementation of the waiver
- Have a meeting with the Sheriff and Manager this week
- Hospital is applying for Certificate of Need (CON) for 10 beds to be used for geriatric patients who need mental health services
- Working to see if these beds could be used for other patients

President McNulty noted that hospital has hired a psychiatrist for both hospitals and recognize the need for mental health services.

The Board briefly discussed the need for mental health services with President McNulty.

President McNulty noted that CenterPoint has submitted a letter of support for the CON.

President McNulty stated that Pioneer has made a commitment to make sure the citizens not have only medical benefits, but also mental health services available.

Commissioner Walker questioned if the transition so far is meeting or exceeding Pioneer's initial expectations?

Vice President Fontaine responded:

- The biggest challenge last year was recruitment of physicians, we are very pleased with the three physicians that have been recruited
- Feels these physicians will do so much for the community
- Very pleased with the progress being made

President McNulty reiterated that he was extremely pleased with the process that has been made so far and very glad to be in Stokes County.

President McNulty expressed appreciation for the Board's support.

Chairman Lankford expressed the Board's appreciation to President McNulty and staff for presenting today's update.

Adjournment

There being no further business to come before the Board, Chairman Lankford entertained a motion to adjourn the Special Called Meeting.

Vice Chairman Inman moved to adjourn the Special Called Meeting. Commissioner Jones seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

Ernest Lankford
Chairman