

**Minutes of Assembly Public Hearing
Held April 10, 2012**

Mayor Jeremy Maxand called the assembly public hearing to order at 6:30 p.m., April 10, 2012, in the Council Chambers. Assembly Members Symons, Stokes, Jack, Privett and McConachie were present. Assembly Member McCloskey was absent. Borough Manager Timothy Rooney and Borough Clerk Christie Jamieson were also in attendance.

PUBLIC HEARING ITEMS:

3a STREET VACATION REQUEST TO VACATE HOWELL AVENUE BETWEEN LOT 3, BLOCK 63A AND LOT 3, BLOCK 63B, WRANGELL INDUSTRIAL PARK EXPANSION SUBDIVISION, AND VACATE THIRD AVENUE BETWEEN LOT 8, BLOCK 63B AND LOT 3, BLOCK 64, WRANGELL INDUSTRIAL PARK EXPANSION SUBDIVISION, AND VACATE FOURTH AVENUE BETWEEN LOT 8A, BLOCK 64 AND LOT 3, BLOCK 65, OF THE AMENDED INDUSTRIAL PARK SUBDIVISION III, ZONED INDUSTRIAL, AS REQUESTED BY THE CITY AND BOROUGH OF WRANGELL, JOSH BLATCHLEY, AND STEVE AND LYNDA THOMASSEN

Written Testimony – none.

Oral Testimony –

Assembly Member Privett asked if there were any problems.

Carol Rushmore, 6 mile Zimovia, Zoning Administrator, said on the end of Third and Fourth Avenue in the Industrial Park Subdivision, there's two City lots on each side of those roads; behind that is the Corps of Engineers mitigation area because we can never extend the road that way, so the idea is when we put these lots out for sale, hopefully very soon, we would just vacate that right-of-way and give each of those lots a little bit more room; Howell Avenue is the same way but it's already privately owned by Josh Blatchley and Stevie Thomassen, and they said yes, they would like to go on to try to acquire the end of that right-of-way too, so they would be part of the whole survey when we are doing that whole area.

Assembly Member McConachie said do they have to pay for that extra land.

Rushmore said yes, they would share the costs for their portion.

Assembly Member Symons said how much farther would that extend past their line; going into the mitigation area?

Rushmore said no, you are not going into the mitigation area; you are just vacating the right-of-way so half of that right-of-way goes to one lot and half go to the other lot.

Assembly Member Privett said they have access to their lots...

Rushmore said, from the end of that right-of-way; we will keep an easement at the beginning and if there are any utilities down there, we would keep an easement for fire hydrants or anything like that; I think it is 75 foot deep and I think 20 or 25 foot, Carl Johnson suggested it to stay as right-of-way, just to provide easier access, and to get the utilities at the last two lots.

3b PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING 3.32.007 RELATING TO THE ADMINISTRATION OF THE WRANGELL MEDICAL CENTER (*second reading*)

Written Testimony – letters from Sue Nelson, Janet Bunes, and Noel Rea. Copies were provided to the Mayor & Assembly Members.

Sue Nelson, 1055 Zimovia Highway, said this is concerning the ordinance 3.32.007, expressed her strong plea to the Borough Assembly to not adopt amendments to ordinance section 3.32.007, as this has potential to harm WMC; the assembly is proposing to allow our contractors who provide medical services at WMC to become a member of our governing board; to allow such ties can affect our monetary position and we would be in direct conflict of interest; in many cases, our contractors have a far greater reach impacting our operations, then even the employees at WMC; this is because contractors unlike employees are more likely to financially benefit from changes in operational policies that they could influence at the board level; it absolutely does not make sense to change this ordinance which would unnecessarily WMC exposed; it is the Assembly's responsibility to protect WMC from potential harm and this ordinance would have the opposite effect; in the Open Meetings Act training, we learned about incapable offices during the session on Ethics and Conflicts of Interest; this doctrine is meant to assure performance of the duties, physicians with undivided loyalty; the purpose of the role is to prevent a pyramid of power, for investing in one person, preventing people from driving financial benefits by holding two positions and avoid inherent conflicts, when a person's elected position has power over their superiors; that is a direct quote out of the Open Meetings Act; the court ordinance provides assurance that these conflicts do not emerge, why make a change to take away this assurance; the mayor states he wants this change because it is difficult to fill board vacancies because the difficulty in finding people to run; if the goal of this ordinance is to encourage more citizens to run for boards with vacancies, it does not make sense to target the WMC Board because it is one of the only boards in Wrangell that has consistently had competition; in the last election, there were five candidates that ran for two positions; there is a very healthy turnover with the WMC Board; there are currently only two members of the nine that have been on the board longer than four years; it makes far greater sense for the assembly to first identify which boards are difficult to fill, and work to

make changes to help those specific boards; in the public field if there is an additional physician input needed at our board meetings, we could easily reinstate at our board meetings, we could easily reinstate medical staff reports at the board meetings every month; this used to take place until it was discontinued at the request of medical staff several years ago; they now make a report to the board only upon request; another way is to have a physician, such as our medical director, Bob Urata, participate as an ex-officio member, who could provide physician input without any conflict of interest; this ordinance change has the potential to harm WMC and take away the protections that are now in place; please do not vote to pass it; thank you.

Laura Salard, 3.5 mile Zimovia Highway, said Sue has said that they believe that there is detriment, if the ordinance is changed and I would like to present another side; they see AICS is direct competition; I don't quite see that; AICS does not provide lab, radiology, in-patient care, long-term care, swing beds and surgical procedures; it doesn't really seem fair to lock out such a large group of qualified individuals just because who signs their paychecks; I've worked in other critical access facilities and sitting on the boards, there were physicians from the local clinics, that sat on the hospital board; what I had seen is where a nurse whose spouse sit on the board, and when she applied to bump up into position, to an administrative position, the understanding was, if she was the final candidate and got the job, her immediate family would have to step down from the board because there was a conflict of interest; I've never worked anywhere, and there were a lot of other hospitals in the surrounding area, some things were never allowed; if you moved into an administrative position, then your immediate family could not sit on the board, because that was perceived as a conflict of interest; I think that the people should be allowed to run, and let the people vote and decide who they want on the board; let the people of Wrangell decide and not just a small closed group decide who gets to run this hospital and oversee it, in the best interest of this town; thank you.

Olinda White, 113 Mt. Dewey Lane, said Sue has already said a lot of the things that she had in mind, my statements but she wanted to add one that she did not; the national training that we have been receiving recommends against having a physician on your board if you have a very small number of physicians working at the hospital; it makes a big difference when you have a large number of physicians if one or two of them are sitting on the board because that cannot directly influence income or the way the things happen in the facility; one or two physicians can alter the revenue stream by their performances and how they participate in things; I also want to make a statement about, no, at this moment we are not in competition with AICS'; we have not been but when AICS' wrote their grant for their building, they have a bunch of equipment in there that we already have, so who's to say they are not going to try to compete with us; we don't know that; for years, WMC has tried to get AICS' to sign a memorandum of understanding about our operations; basically

we wanted to have a statement signed by both organizations saying there would be, due no harm to either organization; at this point in time, we've never been able to get that agreement so that it could be signed, and we knew about it for a long time; thank you.

Dr. Greg Salard, 3.5 mile Zimovia Highway, gave the borough clerk the supporting document he would be speaking of. Dr. Salard said he could stand up here and just speak off the top of his hand and make up facts and things like that but he does not do that; I ask you to verify anything that I tell you; these documents that I'm giving you are copies that anyone could look up; do a quick internet search and find most of this information; a couple of things that he wanted to bring up, there are several studies, there was one in 1995 that was done by the University of Kentucky, in Lexington; one of the findings was that boards with inside physicians, medical staff participation, had some significantly better performance than those who had such physician participation; I know this ordinance that we are looking doesn't pertain to just physicians, that is not the intent; the intent is to open it up for many more people; there are only a few physicians here in town but I am going to speak directly about physicians; there is another study by Tulane University and they found that active staff and physicians involvement in government, showed significant relationships with clerical involvement measures; there was improvement there; the joint commission and we are not a member of the joint commission but most hospitals, mainly the larger hospitals strive to be joint commission certified; I'm sure you all have heard of them; the joint commission in 2009 made changes to their leadership standards and effective March 31, 2011, they specifically say that organized medical staff members should be eligible for full membership in the hospital governing body, unless it is legally prohibited; so the joint commission is telling hospitals that this is the way it should be; there was a advertisement called greatboards.org, which is the part of the American Hospital Association, which by the way Mr. Rea, is a state delegate for the State of Alaska, the American Heart Association, according to their 2012 directory; in any event, they specifically say a hospital or health system board benefits from having physician members who help the board understand clinically related issues and the perspectives of practicing physicians and their patients; from their practices they bring real world context to the boards work to help the board make better informed decisions; they also go on to say that physicians elected to a hospital or health system board should be judged by the same criteria as any other board member, not selected because they happen to work for the hospital as a medical director, which I would say is a conflict of interest there but rather selected and elected by the people, just like any other board member; we have sense enough to know when to recuse ourselves if there is a conflict of interest but we should fall under the same criteria as you guys do when you are elected to the assembly, and the other board members when they are elected to the board; there has been some statements by board members that they never heard of hospital physicians of being on the board; would you believe that 82% of hospital boards have at least one physician on it; that is according

to a study, a survey that was published in 2000, which granted it is old but it is the most recent survey that I have available; it is not unheard of, it's quite common; physicians know if there is a conflict of interest and can easily recuse themselves; that survey was done by the Governess Institute and it is reported on the Great Boards website, which is part of the American Hospital Association, of which our own hospital administrator is a delegate for the State of Alaska; I ask you read the documents; don't take my word for it; look up the information yourself; that is your responsibility as assembly members; thank you.

Stephen Cole, 5 mile Loop Road, said is on a totally difference subject; just add one more thing to your plate but the construction is really impacting.

Assembly Member Privett said this has nothing to do with this public hearing; we are at a public hearing, and then at 7:00 p.m., we are going to start our regular meeting.

Noel Rea, 203 Third Street, said as was mentioned earlier, I am the Alaska representative for the HA Regional Board; the nine or ten policy boards set all the HA direction for the association; I think that a lot, I haven't seen what you've presented, is probably accurate in a sense that having a physician input is a good thing but we asked the question very clearly, the most recent training in February, and I think that the differences you heard, that hospital boards and health systems, talking about orders of magnitude; I think if there were a assortment of physicians, a lot of providers in the community, I think it's a fantastic thing but we brought this very same thing in the National Preliminary session and they said, not a good idea, and they went through the things that have already heard today; I won't repeat them but I think Sue's comments were good ones, and we did have medical staff at every board meeting until 2008, when the Chief of Staff said at the time, they were not interested in coming to every meeting; they said they would come if they were asked, they would be happy to come, but could they be taken off the regular agenda, so we honored that request and took them off; we would be happy to put them back on, and whoever the physicians are can speak and be an active part of the board meeting; Sue's other piece about having another physician, Bob Urata, or a physician out of Ketchikan, or somebody who is an ex-officio that could give physician input without having inherit conflicts of being only one or possibly two physicians in the community; it could be accommodated if that was the desire of the community; it was very clearly stated and we had four or five board members in attendance that would be a bad idea if you only have one or two physicians on the board, controlling the front and back end of an organization.

Robert Maxand, 319 Church Street, encouraged the assembly to pass the ordinance; there shouldn't be any difference between a doctor being on a board, then somebody on the board that is related to a head nurse; what is the difference; if there is a conflict they claim it; seems to me it's all about a certain doctor; in the lower states, you would find doctors on hospital boards; I don't know; I just feel that the ordinance isn't going to hurt them; there

are other people who would like to run; give it some thought; otherwise if you get a person that is running for the hospital board, and his wife is on the staff, RN or otherwise, they should not be allowed to run I guess; thank you.


Jim Nelson, 1055 Zimovia Highway, said I am on the board but he has recused himself many times because his wife is working at the hospital but that is no difference then you have at the school, you have at the council, or the assembly; you have all that so why come along and pulling in stuff against the hospital; when you are going to make this board available to anybody, let's make the assembly board available to anybody, city workers; you have a hard time getting people to work here and come up here; the City is a big organization that has a lot of employees; they can't run there so if you are going to do it for them, please do it for the assembly; thank you; I do not remember hearing that I was going to resign if my wife got the job.

Dr. Greg Salard, 3.5 mile Zimovia Highway, said he has heard a few things since he's been sitting here; people have made this ordinance about physicians; it's not just about physicians; physicians is a very small part; one of us is eligible right now, maybe two that are actually eligible to run for the board; this ordinance opens this up to a vast number of people; someone mentioned, John Taylor one time, because he does contract work, he's currently not eligible to run; there is a lot more people than physicians here at stake; it doesn't have anything to do with employees that work for the hospital; they are not allowed to run because there is definitely a conflict there; you wouldn't want a CNA or a nurse for instance, to sit on the board because then they control their boss who they work for; just like for the assembly, a city worker is not going to be able to sit on the board because he would control his boss, by being on the assembly; if I understand correctly, that is the way it is; this doesn't give special privilege; it doesn't give any special accommodations to the hospital board; what it does, this ordinance puts it in line with every other board, every other assembly; it doesn't do anything special for it, it just takes away the restrictions that are there in place already; thank you; this is not in competition with the hospital; we work together to better the health care of the community of Wrangell; we are not in competition; thank you.

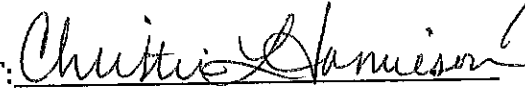
Noel Rea, 203 Third Avenue, said I think the competition is a really good question; I think it's not, Sue's point, in the new clinic they have a bunch of equipment for doing scopes, that is something that the hospital has always done, there is a number procedures and things that used to happen over at the hospital, now happen over at the clinic; the hospital is now hired for contract, Dr. Prysunka, to provide medical service as a physician; I think you can argue that we are, we aren't, probably on the broader scale that we are not competing currently, in the area health care forum; I don't know what the future is going to hold and the very real question in the direction of almost all national health care, physicians are being employed by the hospitals; that is a fact; that is something that I am not pursuing; I

don't want to hire physicians; I think if you create the scenario that prohibits the hospital from even considering that, that's the point; we don't need to do that right now; we don't want to hire doctors; we don't want to go into primary care but that is what is happening on the outside; you can't limit a governing board that sets the policy in the direction for that organization; you cannot set perimeters if they won't really go in that direction; that is what we have.

Adjourned at: 6:56 p.m.



Jeremy Maxand, Mayor

ATTEST: 

Christie L. Jamieson, Borough Clerk

