

# LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS

## POLICY MANUAL

no. 30.02C

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category: Medical Staff Relations  
title: Institutional Needs Determination

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07/31/98  
07/26/02

supersedes no. 30.02B

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### PURPOSE:

To provide for the implementation of the Board's responsibility under Article I, Section 3b of the bylaws to make institutional needs determinations with regard to the granting of medical staff membership and privileges, as authorized by the Enabling Act.

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### POLICY:

The Board of Directors shall review pertinent information regarding applicants for appointment and reappointment to the Medical Staff when it shall appear that appointment or reappointment may be inconsistent with the institutional needs of the health system or not in the best interest of one of the Hospitals or other facilities that comprise the system. Such review shall be independent of any determination or recommendation of the Medical Staff, however, the Chairman of the Board shall notify the Presidents of the Medical Staffs that an institutional review under this policy is being considered regarding an applicant or a candidate for reappointment, and that the Board will consider the comments of the Medical Staff opposing such review.

### DEFINITION:

"Institutional needs" means those matters, social, economic, organizational or financial, which may have a significant influence upon the ability of the Board to fulfill the mission statement and strategic objectives of the Health System and to carry out the responsibilities imposed upon the Board by the Enabling Act as recodified.

### PROCEDURE:

1. The Chairman shall designate a "Medical Staff Liaison" who shall be responsible for reporting to the Board with regard to issues pertinent to this policy. The Medical Staff Liaison shall:

- a. Review all applications and other information regarding candidates and applicants for appointment or reappointment to the Medical Staff with a view to analyzing the potential adverse impact on the institution of appointment or reappointment;
  - b. Advise the Chairman of the Board in writing, summarizing preliminary information and expressing any concerns, and;
  - c. Following collection of all available data, make a written report of findings to the Board for review;
  - d. In the event of any hearings following an adverse determination by the Board, serve as the representative of the Board in such hearings.
2. Following the receipt of the Medical Staff Liaison's written report, the Chairman shall convene a meeting of the Board to review and discuss the report. All members of the Board shall be provided with a copy of the report as far in advance of the meeting as possible. The System President and other relevant administrative staff shall be asked to attend to provide information and advice to the Board.
3. The Board shall consider the following matters in making a determination pursuant to this policy:
- a. Will the appointment of the practitioner have an adverse impact on the Health System in terms of:
    - (1) Loss of patients or revenue?
    - (2) Unfair allocation to the Lee Memorial Health System of indigent patients?
    - (3) Disclosure of confidential trade information to competitors?
    - (4) Permit a competitor to influence or direct medical staff affairs through medical staff committee membership?
    - (5) Any other matter affecting the well-being of the system.
  - b. Will the appointment of the practitioner give an unfair advantage to a business competitor, in terms of:
    - (1) Facilitating the establishment of a new or improved services by a competitor?
    - (2) Permit the diversion of patients to a competitor?
    - (3) Permit the entry of a competitor into a referral system or managed care system?
  - c. With regard to reappointments, the foregoing considerations shall apply whenever the position or situation of a member of the medical staff has changed so as to suggest that this policy may apply. Existing members of the medical staff shall not have their reappointment reviewed pursuant to this policy because the Board has

elected to enter into new endeavors or projects in competition with existing members of the medical staff.

4. The Board may choose to take no action on the information provided by the Medical Staff Liaison, in which case, appointment or reappointment may follow its normal course pursuant to the medical staff bylaws.
5. If the Board determines that appointment or reappointment would be inconsistent with institutional needs, it may take whatever action it deems appropriate, advising the President of the Medical Staff of that action, and that the medical staff need make no recommendation regarding the practitioner. The affected practitioner shall have the right to a hearing pursuant to the Medical Staff Bylaws. The Board shall see that the affected practitioner receives notice of its action as provided in the Medical Staff Bylaws.