



**Board of Commissioners
Meeting Minutes
Linkletter Hall
April 21, 2010**

The meeting was called to order at 6:00 pm by Board President John Beitzel and was opened with the pledge of allegiance. Present were Commissioners Jim Cammack, Arlene Engel, Jean Hordyk, Jim Leskinovitch, John Miles, MD, and John Nutter; CEO Eric Lewis, CMO R. Scott Kennedy, MD, CFO Julie Rukstad, Assistant Administrators Rhonda Curry, Pam Hawney; Chief Technology Officer Linda Brown, Chief of Staff Harry Lyndes, MD, Past Chief of Staff Mark Fischer, MD, Legal Counsel Craig Miller; public participants and Executive Assistant Gay Lynn Iseri.

OLYCAP ORAL HEALTH CENTER UPDATE

Executive Director Tim Hockett presented an update on the activities at the Oral Health Center and noted the full agency work report to the community was available on the website at www.olycap.org. He announced the Clinic opened in September 2005 for low income, uninsured patients for services provided on a sliding scale. See attached presentation.

CONSENT AGENDA

- Minutes for March 17, 2010 and April 7, 2010;
- Bad Debt for March 2010 in the amount of \$284,178.21;
- Vouchers for the month of March 2010 in the amount of \$6,070,190.07;
- Payroll for the period of March 7, 2010 through April 3, 2010 in the amount of \$2,976,542.14.

MOTION: To approve the consent agenda as presented. *Motion carried.*

MEDICAL STAFF REPORT

Chief of Staff Harry Lyndes, MD requested approval of the March 2010 Medical Staff Credentials Report as follows:

ALLIED HEALTH PROFESSIONAL STAFF

Appointment to the Allied Health Professional Staff:

1. Minor, Lynda, ARNP Wound and Ostomy

MEDICAL STAFF

Appointment to the Provisional Active Medical Staff:

1. Marlow, David, MD RADIA - Radiology

Reappointment to the Active Medical Staff:

1. Baker, Margaret, MD Orthopedic Surgery
2. Bundy, Charles, MD General Surgery
3. Corn, Joe, MD Internal Medicine
4. Gipe, Robert, MD Internal Medicine
5. Lewis, Peter, MD Family Medicine

Appointment to the Telemedicine Staff:

1. Go, Greta, MD RADIA – Telemedicine
2. Krol, Christopher, MD RADIA – Telemedicine
3. McCallie, Brian, MD RADIA – Telemedicine

LOCUM TENENS PRIVILEGES GRANTED – FYI

1. Boehnke, Kathryn, MD Radiology
2. Gomes, Andrew, MD Radiology
3. Levy, Matthew, MD General Surgery
4. Mitchell, David, MD Radiology

MOTION: To approve the March 2010 Medical Staff Credentials Report as presented. ***Motion carried unanimously.***

Dr. Lyndes then summarized the proposed revision to the bylaws on reappointment.

MOTION: To approve the proposed revision to the Medical Staff Bylaws, Article 2.6.8.2 Reappointment as presented. ***Motion carried unanimously.***

He then presented the policy recently updated by the Anesthesiologists on moderate sedation.

MOTION: To approve the moderate sedation exam and educational materials as presented. ***Motion carried unanimously.***

Dr. Lyndes requested Board approval of the revisions to the cardiology privilege form.

MOTION: To approve the revised cardiology privilege form as presented.

Discussion: Invasive and non-invasive cardiology credentialing is not differentiated as only non-invasive procedures are performed at OMC.
Motion carried unanimously.

QUALITY REPORT

Focus on Safety

Assistant Administrator Pam Hawney presented the quarterly scoreboard regarding the Focus on Safety at OMC. Reducing injury from patient falls has been worked on extensively and program improvements are being researched by a nursing task force. Education is occurring to develop methods to reduce more falls as we continue to be below the benchmark for patient falls.

She then discussed the “Best Hands on Care” WSHA program that assesses actual usage of hand hygiene products and correlates with patient data with the goal to reduce hospital acquired infections. The birth center and short stay unit is piloting the program measuring hand hygiene materials used for six weeks starting April 6. WSHA will monitor data and education for patients and staff will follow. See attached presentation.

FIRST QUARTER 2010 FINANCIALS

Chief Financial Officer Julie Rukstad presented 2010 quarter one and year to date statistics, district 2010 quarter one and year to date operating results, district total margin per quarter, district operating margin per quarter, district total margin last 10 years, district salaries and benefits/net revenue, total accounts receivable days compared to discharged not final bill (unbilled), and district days cash on hand. She noted volumes are down because of Centricity training and a reduction in providers. See attached presentation.

PUBLIC COMMENT

Public member Dennis Kirincic expressed concern over an emergency department wait time and services at an Olympic Medical Physicians Clinic.

OLD BUSINESS

Stryker Video Tower and Accessories for Surgery

Assistant Administrator Specialty Services Pam Hawney requested approval of the equipment for Surgery Services as presented in detail at a prior meeting. The equipment was chosen by a team of surgeons and staff because of the competitive cost and high level of customer service.

MOTION: To approve the purchase of the four Stryker video tower units and accessories for Surgery Services for the total cost of FIVE HUNDRED THOUSAND FIVE HUNDRED SIXTY SEVEN DOLLARS AND SIXTY CENTS (\$500,567.60) as presented. ***Motion carried unanimously.***

Physician Employment Agreements

Chief Financial Officer Julie Rukstad requested approval of the previously presented physician employment agreements noting Board Budget and Audit Committee review and recommendation for approval of each of these eleven contracts. The family practice agreements are for the annual amount of \$148,000 plus incentive, and the gastroenterologist agreement will be for \$272,500 plus incentives for productivity.

MOTION: To approve the eleven Olympic Medical Physician employment agreements with the standard benefits package effective May 1, 2010 as presented. *Motion carried unanimously.*

Neurology Agreement with Swedish Medical Center

Chief Medical Officer Scott Kennedy, MD requested approval of the agreement with Swedish Medical Center to provide two neurologists at the Sequim Specialty Clinic for mainly outpatient consultation. Swedish would employ the physicians, OMC would do billing, and there would be no call responsibilities.

MOTION: To approve the five-year professional services agreement with Swedish Medical Center to provide physician neurology services at the Sequim Specialty Clinic as presented.

Discussion: Recruitment efforts have not started yet. *Motion carried unanimously.*

CORRESPONDENCE

None.

ADMINISTRATOR'S REPORT – Eric Lewis, CEO

Operations Update

- Lean Training Update: The first class of thirty-two employees graduated with eighteen projects in process. This quality initiative will improve employee satisfaction and utilize common methodology to help improve processes to benefit our patients.
- Emergency Preparedness: Disaster Preparedness Coordinator Tom Oblak is preparing and training employees for different roles. The Hospital Emergency Mutual Aid Memorandum of Understanding is near completion with area hospitals on the Peninsula for the purpose of providing mutual aid at the time of a disaster.
- Cancer Center Linear Accelerator Purchase: Commissioner Leskinovitch is serving on the task force to identify equipment to purchase from Varian or Electa. Site visits will occur in May and more information will be presented for possible action in June. A second vault will be built to accommodate the new equipment at the cost of \$800,000 to a million dollars.
- Elevator Project: Bids will be accepted soon and the next step is to request approval from the Board to award the project to upgrade hospital elevators.
- 2011-2020 Campus Development Plan: Parking, medical office buildings and support department space is being examined to determine future space needs with tentative completion by November 2010. The Emergency Department Expansion Project is also underway to add beds in the Emergency Department.

Eight Strategies for Financial Viability

Mr. Lewis then reviewed the eight strategies for financial viability that are closely tied to the 2010-2012 Strategic Plan. The first quarter 2010 update to the Strategic Plan will occur at the next Board meeting. See attached presentation.

NEW BUSINESS

Executive Health Resources (EHR) Agreement

Compliance Officer Mic Sager introduced the proposed contract with Executive Health Resources (EHR). EHR would provide services to help with inpatient assessment needs. Physician employees trained on utilization standards and commercial insurance concerns would establish a medical necessity proactively establishing this medical necessity upon admission. Appeals will become very important over the next year due to the Medicare RACs who recently requested 190 inpatient medical records for review. Our tentative cost per referral would be \$290 dollars, with a minimum of 30 charts per month. A one time \$7,500 implementation fee will be charged to educate staff on site. Final terms of this agreement are being negotiated, and approval will be sought at a future meeting.

DR PACS Annual Service Agreement

Assistant Administrator Specialty Services Pam Hawney introduced the annual DR PACs service agreement renewal beginning June 1, 2010 at the cost of \$161,347 that would be paid quarterly. This cost has increased from last year due to newly added mammography stations, bone density units, the addition of the Downtown Health Clinic and Jamestown Family Health Clinic. She noted this was a budgeted expense introduced at the last Board Budget and Audit Committee meeting and formal approval would be sought at a future meeting.

Northwest Medical Physics Agreement

Ms. Hawney then presented the one-year Northwest Medical Physics Agreement for renewal that would supply physicist services at the Radiation Oncology Center to assist the radiation oncologists with planning such as IMRT treatment planning, CT planning, brachytherapy, and general medical physics consult. The cost is \$230,923 annually, or \$19,233 per month with a maximum of \$1,200 travel expenses per month. The physicist would be onsite four days per week instead of three days due to increased volumes, therefore increasing the cost. The budgeted amount for this agreement is \$208,000 beginning May 1, 2010.

Hospital EMR Consultant Agreement

Chief Technology Officer Linda Brown introduced an agreement for Tim Gray and Consultant People, LP the Meditech Care Manager Program consultants who would replace the previous consultant Debbie Kelly for the remainder of 2010. Since Jefferson Healthcare is also contracting with them, expenses would be shared. The term of the contract includes 424 hours at \$59,360 with expenses not to exceed \$12,000. It was also noted the previous consultant recommended this new one so no RFP was used.

PUBLIC COMMENT

None.

OTHER

There being no further business the meeting was adjourned at 7:44 pm.

APPROVED AND ADOPTED this _____ day of _____, 2010.

ATTEST:

President

Secretary

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner