



**Board of Commissioners
Meeting Minutes
Linkletter Hall
December 17, 2008**

The meeting was called to order at 6:00 p.m. in Linkletter Hall at Olympic Medical Center by Board President Gary R. Smith, and was opened with the pledge of allegiance. Present were Commissioners John Beitzel (via telephone), Arlene Engel (via telephone), Jim Cammack, Jean Hordyk, Jim Leskinovitch, and Cindy Witham; CEO Eric Lewis; CMO Scott Kennedy, MD; Assistant Administrators Rhonda Curry, Pamela Hawney, Julie Rukstad, Lorraine Wall, CTO Linda Brown; Legal Counsel Craig Miller; and Executive Assistant Gay Lynn Iseri.

ORTHOPEDICS UPDATE

Robert Watkins, MD, orthopedic surgeon presented an update on his former patient 'Slava' Kornya, who worked as an engineer on a ship that was injured and transported by the U.S. Coast Guard for treatment via helicopter two years ago. He read an email he received on the two-year anniversary of his injury thanking him and other staff at OMC for caring for him.

CONSENT AGENDA

- Minutes for November 17, 2008 and December 3, 2008;
- Vouchers for the month of November 2008 in the amount of \$;4,617,288.47;
- Payroll for the Period of November 2 - 29, 2008 in the amount of \$2,808,807.94.

MOTION: To approve the consent agenda as presented. Commissioner Leskinovitch abstained on the vote for the December 3 minutes as he was not present at that meeting. *Motion carried.*

MEDICAL STAFF REPORT

Chief of Staff Mark Fischer, MD commended the Medical Staff Services staff, Jeanne Alderson, Sally Rowland and Marisa Bleck for their continued support and hard work. He presented the medical staff recommendations as approved by the Medical Staff Executive Committee and requested approval:

Allied Health Professional (AHP) Staff:

New Application: Appointment to Provisional AHP Staff:

1. Cordova, Cecilia, CNM (OB/GYN) Supervising Physician: Randell Bauman, MD

Advancement from Provisional to Active AHP Staff:

1. Short, Dean, PA-C (Orthopedics/Dependent) Supervising Physician: Tristan McGovern, MD

Reappointment to Active AHP Staff:

1. O'Neill, Kathleen, PA-C (Orthopedics/Dependent) Supervising Physician: Loren Larson, MD

Medical Staff:

Appointment to the Provisional Active Medical Staff:

1. Brooke, Cynthia, MD (OB/GYN)
2. Clark, Richard, MD (Radiology)

Advancement from Provisional to the Active Medical Staff:

1. Lund, Richard, MD (Radiology)

Reappointment to the Active Medical Staff:

1. Baker, Samuel, MD (Orthopedic Surgery)
2. Pisciotta, Benjamin, MD (Radiology)
3. Witham, Robert, MD (Internal Medicine)

Reappointment to the Courtesy Medical Staff:

1. Secaira, Roberto A., MD (Cardiology)

Resignation from the Active Medical Staff:

1. Delgado, Gabriel, MD (Internal Medicine) Effective 9/20/2008

Additional Privilege Request:

1. Palacio, Carlos, MD (Internal Medicine) Requesting Moderate Sedation privileges

Locums Tenens Privileges Granted – FYI

1. Coldwell, Douglas, MD Radiology
2. Fishman, Michael, MD Radiology
3. Jaramillo, Kenneth, MD Anesthesiology
4. Sims, Robert, MD Medical Oncology

MOTION: To approve the reappointment to the active medical staff for Robert Witham, MD, Internal Medicine as presented. Commissioner Witham abstained from the vote. ***Motion carried.***

MOTION: To approve the remainder of the Medical Staff Credentials Report for November 2008 as presented. Commissioner Witham abstained from the vote. ***Motion carried.***

MOTION: To approve the renewal of the Medical Staff Governance Policy G18, "Liaison Physicians" as presented. ***Motion carried.***

Dr. Fischer then noted the listing of the medical staff committee members for 2009 enclosed in the packet and summarized medical staff activity in 2008. Noteworthy items included quality and patient safety initiatives with scores of staff and physicians participating in this multi-disciplinary collaborative way; Chief Nursing Officer Lorraine Wall's leadership in medication allergies and medication reconciliation; the success of the physician excellence committee that formally measures physician performance in a variety of subject areas; merged medical staff bylaws and policies for easier use and search features; the restructured office tenure for medical staff leadership; the increasingly important safety issue developed regarding legibility for physicians; the newly instituted smoke-free campus in November; increasing complementary and alternative medicine discussion; and good news from recent Joint Commission survey. He thanked the QSS staff who made an incredible impact at committee meetings with physicians. He thanked members of the Medical Executive Committee for their support and expressed excitement for 2009 and the implementation of EMR. In closing, he thanked Paul Hoque, MD for his many years of caring for patients in the community up until his time of death.

QUALITY REPORT

EQC Quality Sub-Committee Report

Assistant Administrator Lorraine Wall thanked Dr. Fischer for his comments stating it was a team effort to work on quality and patient safety at OMC. She presented quality performance highlights regarding medication reconciliation, heart attack core measures, smoking cessation, pneumococcal vaccine, and pneumonia. See attached slides.

PUBLIC COMMENT

Representing the Public Health Advisory Committee, Norma Turner recognized OMC for its recent smoke-free campus initiative.

Public member Penney Thiemann inquired about fiscal limits regarding the Downtown Clinic project in which OMC is a 20% owner.

OLD BUSINESS

Chief Medical Officer R. Scott Kennedy, MD updated the Board on the Sherwood Medical Group, the late Dr. Paul Hoque's practice. OMC is working with all the providers to keep the practice going and is committed to do what is legal and necessary to facilitate continued access to care at that location and continued recruitment efforts for a physician will remain a focus. Commissioner Witham inquired about the current providers and their status. It was announced another physician may need to be brought in to support those existing providers who care for an estimated 3,500 to 4,000 patients.

MOTION: To authorize the Board President and Administrator/CEO to sign all necessary agreements to operate a clinic located at 540 West Hendrickson Road, where Sherwood Medical Center currently operates, over a period of up to 10-months in order to have time to find a long term solution for the clinic's patients.

Discussion: Commissioner Cammack reiterated the importance of assisting the clinic to provide continued care to patients. Commissioner Witham inquired about the legal parameters a public hospital district must adhere to assisting a clinic. Commissioner Hordyk inquired about the amount the CEO can sign for without board approval. Commissioner Cammack requested the need for patient communication. **Motion carried.**

ADMINISTRATOR'S REPORT

Healthcare Reform Update

Deferred.

Operations Update

Fourth quarter 2008 update:

Break even numbers for operations; an increase in net income due to bond value increase of \$160,000 for the first two months of the quarter; a low positive margin; days cash on hand positive cash flow up to 79 days now (at the end of September it was 73 days); uncompensated care for October was average but November was high.

Hospital based physician contracts coming in January will include:

- Seattle Radiologists for professional radiology services. An update will occur on January 7, with formal approval requested January 21.
- Peninsula Emergency Services, Inc. contracts expire the end of May and are being negotiated with a new three year deal. They are recruiting a new physician, and hope to have a recruitment contract to approve in January.

Audit Update

2007 State audit is in progress for the next two to three weeks. The 2008 financial statement audit by Moss Adams will be presented this year on March 4.

OMP Update:

Important EMR work is underway with anticipated board approval first quarter of 2009. Two product vendors GE Centricity and eClinical works are being discussed with the focus of connectivity to Meditech.

Women's Clinic space lease will expire end of December and the renewal is being worked on with hopeful board approval occurring the first meeting in January for a 5 year lease with 6 month out.

Digital Mammography:

GE and Hologic are the industry leaders with almost 90% market share between the two. Site visits, and financial projections are underway. Increased volumes will be a benefit.

Strategic Plan Update:

The board will receive quarterly updates on the goals contained within the new three year Strategic Plan. Physician recruitment will be a focus next year for hospital based physicians and a few specialists.

Downtown Clinic Update:

Only the initial investment of \$150,000 has been put into the LLC by OMC so far. The rest of the money to do the construction will be borrowed. The project design has been delayed. The appraisal will be completed the first part of January and leases need to be finalized before construction begins by Drury Construction. The lease will be for a 15-year term with the rate resetting every 5 years and financial projections will be done for services. The term of the lease is driven by the bank loan due to the amount of the loan. OMC does not have any other 15-year leases since most of the buildings are owned by OMC.

NEW BUSINESS

ENT Navigation System

Mr. Lewis presented this budgeted purchase that was determined by the medical staff capital budget committee as a priority for 2009.

MOTION: To approve the budgeted purchase of the ENT Navigation System at a cost of \$106,449 including tax as presented. ***Motion carried.***

Physician Employee Agreement

The contract for Cecelia Cordova, certified midwife was presented for approval.

MOTION: To approve the one-year midwife employment agreement for Cecelia Cordova, certified nurse midwife, as presented. ***Motion carried.***

Dungeness Valley Health and Wellness Clinic Agreement

MOTION: To approve the budgeted 2009 Lab and Imaging Services Agreement for the Dungeness Valley Health and Wellness Clinic (DVHWC) in the amount of \$72,000, and approve an amendment to the 2008 Lab and Imaging Services agreement to increase the total contract amount by \$25,000 due to higher than expected volumes as presented. ***Motion carried.***

Chargemaster Software

OMC will be adding a physician clinic piece with an implementation fee to the contract for Patient Accounts.

MOTION: To approve the 3-year Chargemaster Software Agreement with Craneware for \$31,678 annually, plus a one time \$15,000 implementation fee as presented.

Discussion: Software ensures billing occurs accurately with correct codes. The emphasis shifts to department heads and hands on training has occurred on the revenue side. **Motion carried.**

Resolution 423 –Lease of Surplus Rental Property

Chief Financial Officer Julie Rukstad introduced the resolution that listed all OMC properties that are leased out as mainly a housekeeping resolution.

MOTION: To approve Resolution 423 – Lease of Surplus Rental Property as presented.

Discussion: Legal Counsel Craig Miller explained this resolution is purely for housekeeping purposes and future audit purposes as an inventory list. **Motion carried.**

OTHER

Commissioner Cammack inquired about the emergency power project.

There being no further business, the meeting was adjourned at 7:19 pm.

APPROVED AND ADOPTED this _____ day of _____, 2009.

ATTEST:

President

Secretary

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner