



**Board of Commissioners
Meeting Minutes
Linkletter Hall
December 2, 2009**

The meeting was called to order at 6:00 pm by Board President Jim Leskinovitch and was opened with the pledge of allegiance. Present were Commissioners John Beitzel, Jim Cammack, Arlene Engel, Jean Hordyk, John Miles, MD, and John Nutter; Chief Executive Officer Eric Lewis; Chief Medical Officer R. Scott Kennedy, MD; Chief Financial Officer Julie Rukstad; Assistant Administrators Rhonda Curry, and Pamela Hawney; Administrative Director Donna Davison; Compliance Officer Mic Sager; Chief of Staff Mark Fischer, MD; Legal Counsel Craig Miller; and Executive Assistant Gay Lynn Iseri.

SWEARING IN OF NEW COMMISSIONER

John Miles, MD, took the oath of office for Olympic Medical Center Commissioner Position 2 in District 3 to complete the term vacated after the resignation of Commissioner Gary R. Smith and was sworn in by Attorney Craig Miller.

SERVICE LINE UPDATE: SURGICAL SERVICES

Mary Romstadt, Director Surgical Services presented the service line update on Surgical Services at Olympic Medical Center. She highlighted quality indicators regarding patient safety including universal protocol and the SCOAP checklist, prevention of infections and chemotherapy safety. Key service indicators including block time utilization, consistent anesthesia providers and customer response were discussed. Operations, challenges and opportunities were also presented. See attached slides.

COMPLIANCE EDUCATION

Compliance Officer Mic Sager gave an update on the OMC Compliance Program and activities. He discussed the Board's obligation with regard to duty of care and the summarized the development of corporate compliance programs. He addressed the structure of the compliance program and elaborated on current happenings at OMC. An upgrade from ICD9 to ICD10 will increase codes from approximately 20,000 to nearly 180,000 codes. The Recovery Audit Contractor (RAC), a new Medicare contractor charged with recovering funds from health care organizations that have billed inappropriately will impact OMC with an anticipated 75 to 80 audits monthly. Comprehensive Error Rate Testing will include requests for random outpatient records to monitor performance of the fiscal intermediary. CBCs are currently being audited to ensure physician intent. Injection billings are being examined and high dollar infusions are also being audited because they are time based charges. See attached slides.

BONE DENSITY EQUIPMENT PURCHASE

Assistant Administrator Specialty Services Pam Hawney introduced the purchase of two DEXA Scan (bone density) units that are used to assess the bone strength and risk of fracture. Currently, there is one unit in Sequim and one in Port Angeles that is approximately 11 years old. A multidisciplinary team was formed to study two major vendors, and GE Prodigy 9 was selected. Two units with tax and maintenance would cost approximately \$96,787, and additional PACS cost of \$36,650. The speed of the exam would increase with new equipment, and the implementation would be near the end of January. There will be no major structural change in the facility and only minimal disruption in service will occur. Commissioner Cammack who served on the committee noted GE was a positive decision because of standardization with our other GE equipment. Diagnostic Imaging Director Deby King will request approval at a future meeting after discussion at the Board Budget and Audit Committee.

GENERAL SURGERY UPDATE

Scott Kennedy, MD, Chief Medical Officer discussed the general surgeon team at OMC who provide services to the community while taking a heavy call load to ensure OMC has 24/7 emergency call services and a Level III trauma designation. The average age of physicians in the nation is 53, and there is a growing demand with fewer being trained. With the retirement of James Flowers, MD, on April 1, 2010, recruitment efforts are underway. Practice models are being discussed about employing more surgeons in the future. He also noted tax levy support has been crucial to this recruitment effort.

OPERATIONS UPDATE

Chief Executive Officer Eric Lewis presented an operations update and other topics to be discussed at the next Board Budget and Audit Committee for consideration in the future:

Dungeness Valley Health and Wellness Clinic (DVHWC)

- Clinical laboratory and diagnostic imaging services agreement for 2010 at \$62,000.

Volunteers in Medicine of the Olympics Clinic (VIMO)

- Clinical laboratory and diagnostic imaging services agreement for 2010 at \$62,000.
- Space Lease is being negotiated for extension under the same terms.
- Clinical Services Proposal for 2010 in the amount of \$67,500 which includes ARNP Behavioral Health (\$24,000), ARNP Medical Clinic (\$26,000), medication (\$8,000), administration (\$8,000) and supplies (\$1,500). The 2009 agreement was for behavioral health and medications in the amount of \$56,000.

Amerinet Presentation and Buying Group Options

The group purchasing organization presentation was distributed to those board members not on the budget committee. Discussion about staying with Amerinet or issuing an RFP ensued. Commissioner Cammack suggested an RFP should be issued for a better vendor for pharmaceutical purchases.

Diagnostic Imaging Equipment Proposals (Digital X-ray/Fluoro System, CT and MRI)

Year-end proposals were received from GE and Siemens and OMC is working with Radia on equipment upgrades. These purchases would occur within the next four months.

Commissioner Cammack inquired about the VA Clinic. Work in renewing the contract that is due in the spring of 2010 is underway, as well as discussion about them using more of OMC lab and diagnostic services.

Construction

- Hospital elevator upgrades proposals are being requested
- Emergency Department expansion project architect selection has been narrowed down from sixteen to four. Qualifications are being studied and board approval will be sought at future meeting.
- Port Angeles and Sequim Campus Master Plans for 2011 to 2020 will be developed and won't include as much construction as in past years.

Avamere note receivable of \$400,000

- A proposal was received from Avamere to extend the note by 5 years at 6% with an amortizing balance. They are doing construction upgrades at OCRC and they would like a five-year extension on that loan.

CEO MID-PERIOD EVALUATION

Board President Jim Leskinovitch noted the mid-period CEO evaluation in the packet. This will be discussed at the first meeting in January.

OTHER

Commissioner John Beitzel mentioned roundtables with community leaders will be scheduled in March.

There being no further public input or business, the meeting was adjourned at 7:10 pm.

APPROVED AND ADOPTED this _____ day of _____, 2009.

ATTEST:

_____	_____
	President
_____	_____
Secretary	Commissioner
_____	_____
Commissioner	Commissioner
_____	_____
Commissioner	Commissioner