



**OLYMPIC**  
MEDICAL CENTER  
**Board of Commissioners**  
**Meeting Minutes**  
**Linkletter Hall**  
**December 7, 2011**

The meeting was called to order at 6:00 p.m. by Commissioner Jean Hordyk in Linkletter Hall and was opened with the pledge of allegiance. Present were Commissioners John Beitzel, Arlene Engel, Jim Leskinovitch, and John Nutter; Chief Executive Officer Eric Lewis; Chief Financial Officer Julie Rukstad; Chief Medical Officer R. Scott Kennedy, MD; Chief Nursing Officer Lorraine Wall; Assistant Administrator Rhonda Curry; Administrative Director Donna Davison, Legal Counsel Craig Miller, public participants and Executive Assistant Gay Lynn Iseri.

Commissioner Hordyk welcomed attendees and stated she would chair the meeting as senior-most commissioner present due to the excused absences of Board President Jim Cammack and Board Secretary John Miles, MD.

#### **2010 STATE AUDITOR REPORT**

Eric Lewis, chief executive officer, announced another year of no findings making this the 12<sup>th</sup> consecutive year of internal controls being adequate to protect assets. He commended the work of Julie Rukstad, chief financial officer, and her team and many others who work to keep OMC in compliance. Commissioner Nutter, chair of the Board Budget, Audit and Compliance committee commended Mr. Lewis and his entire team for their due diligence.

#### **ICD-10 CODING PRESENTATION**

Annette Simonsen, manager, and Margaret Kimball, supervisor, of Health Information Management introduced the transition of ICD-9 to ICD-10 coding, a mandatory coding change in the health care industry by February 2013. ICD-9 codes have been in place for more than thirty years, and the United States is one of the last countries to make this switch. The system has run out of room to add new diagnoses and more specific codes. Comparisons were illustrated between ICD-9 and ICD-10 coding. Non-compliant claims will be denied and returned, and a steering committee is being formed to facilitate this process. See attached presentation.

#### **ORTHOPEDIC SURGERY EQUIPMENT**

Scott Kennedy, MD, chief medical officer requested approval of the Stryker orthopedic surgery equipment that is necessary for the expansion of orthopedic block scheduling time in the operating room.

**MOTION:** To approve the purchase of the Stryker orthopedic surgery equipment for the cost of ONE HUNDRED TWENTY EIGHT THOUSAND FIVE HUNDRED FOURTEEN DOLLARS AND EIGHTY TWO CENTS (\$128,514.82) plus tax as presented.

**Discussion:** This equipment is for total joint replacements, and is a 2012 budgeted item. *Motion carried unanimously.*

### **ROUTINE CONTRACTS INCLUDED IN 2012 OPERATING BUDGET**

Julie Rukstad, chief financial officer, introduced the contracts for that will be presented for formal approval at a future meeting:

#### ***Maintenance agreements:***

1. GE Healthcare Centricity Electronic Medical Records Annual Support Contract  
Cost: \$172,750.53 (current year cost)  
Term: 1 year – expires 4/30/12  
Description: Current year contract based on 240 licenses.
2. DR Systems, Inc. Service/Maintenance Contract  
Cost: \$193,000 (estimate)  
Term: 1 year (expires 5/31/12)  
Description: DR PACS maintenance contract

#### ***Free clinic support:***

3. Dungeness Valley Health and Wellness Center (DVHWC)  
Cost: \$105,000  
Term: 1 year – expires 12/31/11  
Description: Radiology and Lab services for uninsured and underinsured patients
4. Dungeness Valley Health and Wellness Center (DVHWC)  
Cost: \$9,600  
Term: 1 year – expires 12/31/11  
Description: Financial assistance for administering an emergency oral health program for uninsured and under-insured patients
5. VIMO  
Cost: \$62,000  
Term: 1 year – expires 12/31/11  
Description: Radiology and Lab services for uninsured and underinsured patients

6. VIMO  
Cost: \$56,000  
Term: 1 year – expires 12/31/11  
Description: Behavioral Health services and medication for uninsured and under-insured patients
  
7. VIMO  
Cost: \$ 18,000 (\$1,500/month)  
Term: 1 year – expires 6/30/12  
Description: Financial assistance for administering an emergency oral health program for uninsured and under-insured patients

## **2011 BUDGETED CAPITAL**

### ***Annual Point of Care PC Replacement***

Julie Rukstad, chief financial officer, introduced the routine computer replacement purchase totaling approximately \$431,000 dollars that was budgeted for 2011. These computers will replace slower units to increase end user productivity and in anticipation of the Epic EMR implementation and also includes servers, storage trays, and peripherals. Formal approval will be sought at the next meeting.

### ***Patient Monitor System Replacement***

Lorraine Wall, chief nursing officer and Kathi Pressley, director of material management, introduced the purchase of monitors for patient rooms. The existing monitors were purchased in 1998, upgraded in 2008, and will be sunsetted in December 2011. The initial quote came back at \$1.2 million and the purchase is requested to happen in December 2011, with installation 90 days after purchase. This will be presented at the next Board Budget, Audit and Compliance committee meeting and back for consideration at the next board meeting. See attached presentation.

### ***Laundry Washing Machine Replacement***

Richard Newman, chief human resource officer, introduced the replacement of a washing machine installed in 1975 that had a projected life of ten years. Now in its 36<sup>th</sup> year, the washing machine is the most worked-on piece of equipment in the hospital besides the tube system. Accolades were extended to the maintenance crew for keeping the equipment going so many years. This 2011 budgeted purchase costs approximately \$100,833, and would be replaced to continue doing laundry for the hospital and some areas in Sequim. The vendor will install, de-install and remove the old equipment from the premises. This will be presented at the next Board Budget, Audit and Compliance committee meeting and back for consideration at the next board meeting.

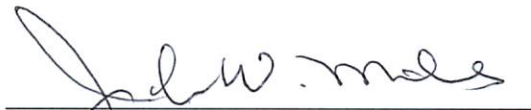
***Diagnostic Imaging Fluoroscopy Equipment Replacement***

Dr. Kennedy introduced the purchase of fluoroscopy equipment to replace equipment in Room 3 of Diagnostic Imaging department. This 2011 budgeted item costs approximately \$754,000 and will be presented to the Board Budget, Audit and Compliance for review and recommendation. This new equipment with wireless technology will optimize radiation safety, and increase efficiency with new features saving turnover time, optimizing workflow and reducing exposure to radiation and scatter. Two vendors, Seimens and Core Medical, are being considered at the cost of approximately \$600,000.

The public meeting concluded at 6:55 pm. Board president Jim Cammack moved the meeting to executive session to discuss union negotiations by authority of RCW 42.30.140(4)(a) for fifteen minutes with no action following. At 7:12 pm, the meeting moved back to open session and was finally adjourned.

**APPROVED AND ADOPTED** this 21th day of December 2011.

**ATTEST:**



Secretary



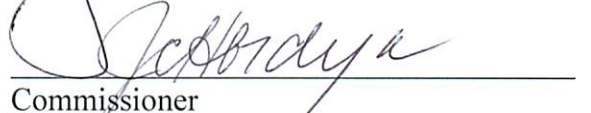
Commissioner



Commissioner



President



Commissioner



Commissioner

Commissioner