



**Board of Commissioner's Meeting Minutes  
Linkletter Hall  
February 20, 2008**

The meeting was called to order in Linkletter Hall at Olympic Medical Center at 6:00 pm by Board President Jim Cammack and was opened with the pledge of allegiance. Present were Commissioners John Beitzel, Arlene Engel, Jean Hordyk, Jim Leskinovitch, Gary R. Smith and Cindy Witham; CEO Eric Lewis; CMO Scott Kennedy, MD; Assistant Administrators Rhonda Curry, Pamela Hawney, Richard Newman, Julie Rukstad, Lorraine Wall, Administrative Director Donna Davison; Legal Counsel Craig Miller, staff members, public members and Executive Assistant Gay Lynn Iseri.

Members of the OMC Foundation honored the Festival of Trees Tree Designers for their hard work and continued dedication. Their trees are auctioned off at the annual Festival of Trees event which raises approximately \$15,000 annually for the Medical Center. Assistant Administrator Rhonda Curry specially acknowledged Ms. Sherry Phillips for her 17 years of dedication to the event.

**CONSENT AGENDA**

- Minutes of January 16, January 30, and February 6, 2008;
- Vouchers for January 2008 in the amount of \$5,867,277.84;
- Bad Debt for January 2008 in the amount of \$62,855.54;
- Payroll covering December 30, 2007 through January 26, 2008 in the amount of \$2,808,496.12.

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

**MEDICAL STAFF REPORT**

***Recognition of Robert Watkins, MD***

Chief of Staff Mark Fischer, MD honored retiring orthopedic surgeon Robert Watkins, MD for his thirty-two years of dedication to patients in the community, Olympic Medical Center and the Medical Staff. Joining Dr. Fischer in sharing appreciation were Chief Medical Officer R. Scott Kennedy, MD, USCG Commanding Officer Scott, Jorgen Quistgaard, MD, Eric Lewis, CEO, and members of the Board.

Dr. Watkins eloquently responded saying his contributions have been returned many fold.

### ***Medical Staff Report***

Dr. Fischer presented medical staff recommendations for approval as follows:

***MOTION:*** To approve the January 2008 credentials report as presented. ***Motion carried.***

***Discussion:*** It was noted OMC reviews PCMHC contracts.

***MOTION:*** To approve the medical staff physician liaison list as presented. ***Motion carried.***

***MOTION:*** To approve the privilege request form for internal medicine core privileges.  
***Motion carried.***

### **INDEPENDENT AUDITOR REPORT TO THE BOARD**

Chris Rivard, partner from Moss Adams LLP presented year to date Dec 31, 2007 audited financial statements results and summarized key points. See attached slides.

### **QUALITY REPORT**

#### ***Chief Nursing Officer Lorraine Wall, MSN***

Ms. Wall presented the score card and supporting data highlighted in packet and noted great overall improvement. She also discussed acute MIs, heart failure, pneumonia vaccines, and influenza vaccines. See attached slides.

### **PUBLIC COMMENT**

Public member Krys Gordon requested definition of bad debt.

### **OLD BUSINESS**

#### ***Resolution 412 – Declaring OMC a Smoke Free Campus***

Assistant Administrator and CHRO Richard Newman introduced Dr. Mark Fischer and Dr. Rebecca Corley MD who spoke regarding smoking prevalence today, key components of tobacco control programs, addiction, cessation programs, and costs for our community. It was noted the OMC MEC and medical staff have endorsed the following resolution unanimously.

***MOTION:*** To approve Resolution 412 - Declaring OMC a Smoke Free Campus as of November 20, 2008 as presented.

***Discussion:*** Issues around patients who are addicted to tobacco and the current no smoking policy, smoking cessation programs and products, OMC Wellness Policy, employment opportunities and insurance plans were discussed. ***Motion carried.***

***Volunteers in Medicine of the Olympics (VIMO) Clinic Update***

VIMO Board President Kathy Brown, Clinic Administrator Gina Steinmetz, and VIMO board member Sandy Long attended the meeting to update the board on the Clinic. They thanked OMC for the continued support in the mission of serving the uninsured and underinsured patients in the community. They thanked Commissioner Engel for also serving on their board and spoke about the behavioral health program available on Fridays. Their biggest issue remains lack of providers. Ms. Steinmetz thanked members of the Coast Guard Cutter *Wahoo* who recently adopted the clinic and will provide monthly maintenance of the grounds and building.

***Cardiac Echo Machine Upgrades***

Director Cardiopulmonary Services Judy Tordini requested approval to purchase three echocardiology machine upgrades for ultrasound of the heart bringing the equipment to near state of the art for patients.

***MOTION:*** To approve the Siemens cardiac echo machine upgrades for a total cost of ONE HUNDRED FIFTY NINE THOUSAND FOUR HUNDRED SIXTY TWO DOLLARS (\$159,462) as presented.

***Discussion:*** The training program for the new machine was noted as a four-week program, machine upgrades will occur one by one and techs will feel the ergonomic improvement immediately. Ejection Fraction (EF), a tool to teach people to grade levels of heart failure, will determine proper medication prescription and remains the best non-evasive technology on the heart currently available. Medicare will reimburse the cost under the proper diagnosis. It was noted NINETY THOUSAND DOLLARS (\$90,000) was generously donated by the OMC Foundation. Mr. Lewis thanked Ms. Tordini for her financial and quality management in her department, and for making a difference for patients daily.

***Motion carried.***

***Electronic Medical Records Upgrade***

Executive Director Olympic Medical Physicians Gary Kriedberg announced the RFP sent out last June resulted in nine vendor responses. NextGen site visits will occur in March at Deaconess Hospital at Bozeman, a Meditech hospital who was using LSS, similar to OMC with Part A billing, Meditech integration, and full compatibility with the overall information technology platform and expandable to independent physicians in community.

**CORRESPONDENCE**

None.

## **ADMINISTRATOR'S REPORT**

### ***Long Term Financial Planning***

Chief Executive Officer Eric Lewis announced long term financial planning will occur for 2008-2012, including the five-year capital plan. Two large components are volumes by business unit and reimbursement reductions. He noted strategic planning is crucial and planning for 2009-2011 will begin this spring.

### ***Physician Needs Survey***

Mr. Lewis announced the three-year plan on recruitment began last summer by retaining consultant Frank Fox from HealthTrends. Thirty members of the medical staff were interviewed, and questionnaires were distributed. Projections were developed with the input of the Medical Executive Committee and Medical Staff members. The preliminary report was presented to the Board, and further information will be presented at the first meeting in March 2008, with formal Board action to take place later in the spring.

### ***Proposed Medicare Reimbursement Reductions***

Mr. Lewis presented the Bush Administration's proposed Medicare reimbursement reductions for the next five years. The total impact to OMC if implemented was totaled at \$16.2 million in reimbursement. Medicare reimbursement will be facing more pressure over the next few years. Commissioner Witham inquired about Part A reimbursement reductions, but Mr. Lewis said there were none yet to his knowledge.

## **NEW BUSINESS**

### ***Implantable Cardiac Defibrillator (ICD) Introduction***

Deferred.

### ***Endoscopy Equipment Maintenance Agreement***

Assistant Administrator Specialty Services Pamela Hawney requested approval of a three-year service protection plan for service maintenance and repair to endoscopes and bronchoscopes. The budgeted expense was reviewed and recommended by the board budget and audit committee and would be paid annually.

**MOTION:** To approve the three-year endoscopy equipment maintenance agreement with Olympus America, Inc. for a total annual amount of FIFTY THOUSAND ONE HUNDRED SEVENTY TWO DOLLARS (\$50,172) as presented. ***Motion carried.***

### ***CCU Central Station Upgrade***

Ms. Wall requested approval of the purchase of a Philips central monitoring station for the Critical Care Unit. She noted it was a 2008 budgeted item reviewed and recommended by the board budget and audit committee for replacement of the current system. The life expectancy of the unit was noted to be 9-10 years, with the current system at 9 years old with software no longer supported by the company.

**MOTION:** To approve the purchase of the Philips central monitoring station for CCU at a total cost not to exceed SIXTY TWO THOUSAND ONE HUNDRED NINETY FIVE DOLLARS (\$62,195) as presented.

**Discussion:** It was suggested the board budget and audit committee prepare synopsis of approved items for distribution to rest of the board prior to action.  
**Motion carried.**

**Revised 2008 Operating Budget**

Chief Financial Officer Julie Rukstad presented the revised 2008 operating budget with \$956,810 fewer expenses than previously presented. She announced continued effort would bring more cost reductions. This amendment will bring us from a 0.2% margin to a 1% margin.

**Bank Line of Credit**

Ms. Rukstad announced discussion is underway with Key Bank to obtain a tax exempt line of credit for \$3 million which brings us up to 90 days cash on hand if needed. The low rate of 4% would not be charged unless used based upon board approval.

**OTHER**

Commissioner Leskinovitch inquired about the emergency power issue and cost estimate.

Commissioner Witham requested Peter Casey, PCMH, to present at a future meeting.

Commissioner Cammack requested board members review presentation about health care problems that he distributed.

There being no further business, the meeting was finally adjourned at 8:50 pm.

**APPROVED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

**ATTEST:**

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