



**Board of Commissioners  
Meeting Minutes  
Linkletter Hall  
January 21, 2009**

The meeting was called to order at 6:00 p.m. in Linkletter Hall at Olympic Medical Center by Board President Jim Leskinovitch, and was opened with the pledge of allegiance. Present were Commissioners John Beitzel, Jim Cammack, Arlene Engel, Jean Hordyk, Gary R. Smith 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; public participants and Executive Assistant Gay Lynn Iseri.

**CONSENT AGENDA**

- Minutes for December 17, 2008 and January 7, 2009;
- Vouchers for the month of December 2008 in the amount of \$5,577,177.28;
- Payroll for the Period of November 30, 2008 through January 10, 2009 in the amount of \$4,233,707.56.

**MOTION:** To approve the consent agenda as presented. Commissioner Witham abstained from the vote as she was not at the January 7, 2009 meeting.  
*Motion carried.*

**MEDICAL STAFF REPORT**

Chief of Staff Mark Fischer, MD requested approval of the December 2008 Credentials Report:

**Medical Staff:**

Appointment to the Provisional Active Medical Staff:

1. Austin, Wade M, MD Internal Medicine Hospitalist
2. Winfield, Kirby, MD Radiology (Seattle Radiology)

Appointment to the Active Medical Staff:

1. Kang, Eun Young (Liz), MD Internal Medicine Hospitalist

Reappointment to the Active Medical Staff:

1. Bertucio, Clare, MD Radiation Oncology
2. Masangkay, Alfonso, MD Pathology
3. Oakes, Roger, MD Family Medicine

**Medical Staff (continued):**

Appointment to the Provisional Courtesy Medical Staff:

1. Niemeyer, Agnieszka, MD                      Dermatology

Resignation from the Active Medical Staff:

1. Yergen, John, MD                      Emergency Department – Effective 11/2/2008

Appointment to the Telemedicine Staff:

1. Benedetti, Philip, MD                      Radiology (Virtual Radiology)
2. Uytana, Vinson, MD                      Radiology (Virtual Radiology)

**Locums Tenens Privileges Granted Or Renewed – fyi:**

1. Ballard, Gary, MD                      Radiology
2. Crowder, L. Jane, MD                      Anesthesiology
3. Danielson, David, MD                      Radiology
4. Kazimi, F. Sarah, MD                      Radiology
5. Kim, David, MD                      Radiology
6. Stratford, Travis, MD                      Radiology
7. Weiden, Paul, MD                      Medical Oncology

**MOTION:**      To approve the December 2008 Credentials Report as presented.  
Commissioner Witham abstained from the vote. **Motion carried.**

**QUALITY REPORT**

Deferred

**PUBLIC COMMENT**

None

**OLD BUSINESS**

***Volunteer in Medicine of the Olympics (VIMO) Agreements***

Chief Executive Officer Eric Lewis presented the agreements with VIMO to provide support in behavioral health support, lab and imaging services.

**MOTION:**      To approve the one-year VIMO behavioral health support agreement in the amount of FIFTY SIX THOUSAND DOLLARS (\$56,000) as presented.  
**Motion carried.**

**MOTION:**      To approve the one-year VIMO imaging and lab services agreement in the amount of SIXTY TWO THOUSAND DOLLARS (\$62,000) as presented.  
**Motion carried.**

### **DOWNTOWN CLINIC LEASE**

Mr. Lewis summarized the project in consideration of the 2006 Board Resolution 'Making Primary Care Viable in Clallam County' collaboration has continued with Family Medicine of Port Angeles (FMPA) with the Downtown Clinic and real estate transactions. In June 2007, OMC purchased the building at 8<sup>th</sup> and Cherry that FMPA is currently leasing. The building will be made into a rural health clinic and be offered to solo practitioners or be leased to another interested party after FMPA moves downtown. The Downtown Ambulatory Health Center LLC was formed where OMC owns 20% and the LLC owns 80%. He announced the next step is to approve the lease agreement for x-ray service, physical therapy and chronic disease management and education center.

Chief Financial Officer Julie Rukstad presented a financial analysis based on discussed assumptions. Discussion ensued about environmental studies and it was determined a Phase I study had been completed at the site.

It was announced Medicare reimbursement for imaging services is currently profitable, as well as physical therapy, but the challenge is recruiting physical therapists. Chronic disease management is not reimbursed well today, but hopefully in the future.

Mr. Lewis announced the market rent analysis was completed by Clarke, White, Veenstra who determined market rent estimate for the building that is hospital based space and costs more to build. Comparables were included in report to substantiate findings. The hospital will benefit with more space and be a nice addition to the downtown businesses.

**MOTION:** To approve the fifteen-year commercial lease agreement with Downtown Ambulatory Health Center, LLC beginning October 1, 2009 or whenever construction is completed as presented. Commissioners Cammack and Witham abstained. *Motion carried.*

### **RADIOLOGIST GROUP UPDATE**

Mr. Lewis announced negotiations are underway with Seattle Radiology for a professional services agreement to provide radiology services. This would include a joint venture for MRI services and agreements should be finalized by month end.

### **PEDIATRIC HOSPITALIST SERVICES**

He also announced discussion will continue with the Peninsula Children's Clinic to provide 24/365 attending and consulting services to the obstetrics and pediatrics department. Compensation is anticipated to be \$5,000 per month and nurse-line costs.

## **ADMINISTRATOR'S REPORT**

### ***Washington State Budget***

Mr. Lewis presented an update on the Washington State Budget for 2009. He said there was at least a \$6 billion deficit projected on a \$34 billion budget balanced mainly on expense reductions. The anticipated cost to OMC will be \$732,000 annual, \$366,000 in 2009.

### ***EMR Update***

It was announced requests for quotations were sent to the two final vendors, GE Centricity and eClinicalWorks to provide EMR in the community. Contract negotiations will occur in February and board action will be sought March 4.

### ***Operations Update:***

- ***Group Health Contract*** - A contract was finalized with Group Health for the Medicare Advantage product effective January 1, 2010. Group Health will pay OMC same rate as Medicare rates. It was noted each Medicare Advantage plan is different and plans are confusing and complicated for the patient.
- ***Resolution 424 – Amending Pension Plans*** – The resolution was introduced to amend language required by federal legislation for the 401(a) plans for union and non-union employees. The formal resolution will be brought to the first meeting in February for approval.
- ***I-1000 Death With Dignity Act*** – This initiative was passed by voters in November 2008 and goes into effect on March 4, 2009. The DOH is working on final rules and regulations while hospitals decide if they will participate or not. The OMC Ethics Committee is reviewing the initiative and will make a recommendation to the Medical Executive Committee and Board of Commissioners about participation. Physicians cannot be forced to participate in the initiative which remains individual choice.
- ***Audits Update***  
Financial statement audit by Moss Adams begins the last week in January and the State Audit is currently underway for both years 2007 and 2008.
- ***Sherwood Medical Center Clinic Agreement***  
OMC is providing space, equipment, employees and providers to this Sequim practice. OMC is operating the clinic and will pay Sherwood Medical for actual costs not to exceed \$107,000 for a year from the time of the death of the late Paul Hoque, MD to assist with patient access and care.

- ***United Way Campaign***  
OMC employees raised over \$128,000 for United Way and OMC Charities during the 2008 campaign. Mr. Lewis commended the entire committee for their hard work and dedication to the success of the campaign.

## **NEW BUSINESS**

### ***Physician Contracts***

Mr. Lewis presented the professional services agreement with Joseph Pullara, MD who requested to relocate from Sequim's Jamestown Clinic to the Olympic Medical Physicians Eighth Street Primary Care Clinic in Port Angeles.

***MOTION:*** To approve the two-year professional services agreement with Joseph Pullara, MD, family medicine, with guaranteed first year base salary at ONE HUNDRED FORTY THOUSAND ONE HUNDRED SEVENTEEN DOLLARS (\$140,117) beginning March 2009 as presented. Commissioner Witham abstained. ***Motion carried.***

Mr. Lewis then requested Board approval of the locums agreement for Stephen Howarth, MD.

***MOTION:*** To approve the one-year anesthesia locums agreement with Stephen Howarth, MD, beginning February 1, 2009 at the rate of ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500) minus collections per day as presented. ***Motion carried.***

### ***Surgery Equipment***

Chief Financial Officer Julie Rukstad presented the request to purchase surgery equipment as reviewed and recommended by the Board Budget and Audit Committee. Currently, this equipment is rented twice monthly, and would be beneficial to have onsite. Volumes are expected to double in first year.

***MOTION:*** To approve the budgeted purchase of the holmium laser at a cost of FIFTY FOUR THOUSAND NINE HUNDRED TWENTY EIGHT DOLLARS (\$54,928); flexible and rigid scopes for use with the holmium laser at the budgeted cost of THIRTY THOUSAND FOUR HUNDRED SIXTY FOUR DOLLARS (\$30,464); and a video scope for the Sequim Specialty Clinic to improve images and provide better patient outcomes at the budgeted cost of FORTY FOUR THOUSAND FIVE HUNDRED FIFTY TWO DOLLARS (\$44,552) for a total budgeted cost of the bundled equipment of ONE HUNDRED FORTY SIX THOUSAND SEVEN HUNDRED SIXTY SEVEN DOLLARS (\$146,767) as presented.

**Discussion:** The items were determined to be budgeted for 2009. The equipment comes with a 5-7 year life expectancy, will pay for itself within the first two years, and will be restricted for use only at OMC facilities since its portable equipment. **Motion carried.**

**OTHER**

The Budget and Audit Committee Agenda was noted in the packet.

The CEO Mid-year evaluation will occur the first meeting in February.

Public Member Penney Thiemann requested the public comment portion be moved to follow the Administrator's Report on the agenda.

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

**APPROVED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

**ATTEST:**

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President

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Secretary

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Commissioner

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