



**Board of Commissioners
Meeting Minutes
Linkletter Hall
July 16 2008**

The meeting was called to order in the Fairshter Room at Olympic Medical Center at 4:30 pm by Board President Gary R. Smith and was immediately moved to executive session for no more than ninety minutes to discuss personnel matters and potential litigation. Present were Commissioners John Beitzel, Arlene Engel, Jean Hordyk, Jim Leskinovitch, and Jim Cammack; CEO Eric Lewis; CMO Scott Kennedy, MD; Assistant Administrators Rhonda Curry, Julie Rukstad, Pam Hawney, Richard Newman; CTO Linda Brown; Administrative Director Donna Davison; Legal Counsel Craig Miller; and Executive Assistant Gay Lynn Iseri. At 5:20, Commissioner Witham joined the meeting, and at 5:30 pm the executive session concluded.

At 6:00 pm, the regular meeting was opened with the pledge of allegiance in Linkletter Hall.

Commissioner Beitzel distributed save-the-date information for the annual gala benefitting the Cancer Center in October.

CONSENT AGENDA

- Minutes for June 18, 2008 and July 2, 2008;
- Bad Debt for the month of June 2008 in the amount of \$37,446,620.00;
- Vouchers for the month of June 2008 in the amount of \$5,974,338.59;
- Payroll for the Period of June 1 through June 28, 2008 in the amount of \$2,753,263.77.

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

MEDICAL STAFF REPORT

Chief of Staff Mark Fischer, MD presented the Medical Staff Credentials Report for June 2008 as approved by the C&Q Committee and requested board approval.

MOTION: To approve the medical staff credentials report for June 2008 as presented.
Motion carried.

QUALITY REPORT

EQC Safety Sub-Committee Report

Assistant Administrator Pamela Hawney presented the quarterly safety report. See attached.

FINANCIAL REPORT

Chief Financial Officer Julie Rukstad presented the 2008 second quarter financial update including statistics and operating results. See attached.

Commissioner Witham requested a quarterly comparison of the percentage of bad debt and total gross revenue in the next financial update to the board.

PUBLIC COMMENT

Public member Penney Thiemann inquired about the accounts receivable aging analysis and recovery of debt over 180 days.

At 6:30 pm, the meeting was interrupted for a code red in the basement. At 6:43 pm, the meeting resumed after the code was cleared.

OLD BUSINESS

IMPAC System Maintenance and Support Agreement

Assistant Administrator Pamela Hawney requested approval of the budgeted maintenance and support agreement for a year beginning May 30, 2008 as was presented last month upon review and recommendation by the Board Budget and Audit Committee.

MOTION: To approve the one year IMPAC System Maintenance Agreement for the cancer center software for the total cost of EIGHTY THOUSAND SEVEN HUNDRED DOLLARS AND FIFTY FIVE CENTS (\$80,700.55) including tax as presented. ***Motion carried.***

ADMINISTRATOR'S REPORT

Community Value Award

Assistant Administrator Rhonda Curry announced Olympic Medical Center has recently been honored as a five star hospital for the second year in a row. Out of the 2,831 hospitals surveyed, OMC fell in the top twenty percent of those surveyed based on data from the CMS report that included financial strength and reinvestment, cost of care, and pricing based on community value.

Laboratory CAP Survey Results

Chief Executive Officer Eric Lewis announced the Olympic Medical Center Laboratory recently completed its two year CAP survey and was reaccredited for another two year period. He commended Josephine Zuzarte, MD pathologist and Steven Blackham, Director for their leadership and maintaining high standards in the laboratory.

Level III Trauma Service Designation

Mr. Lewis announced the re-designation of the Olympic Medical Center emergency department as a Level III Trauma Center due to the dedicated efforts of general and orthopedic surgeons and staff who cover the ED 24/7/365 days out of the year.

Tax Levy Facts

Mr. Lewis discussed facts around the request of a recent property tax levy increase. He outlined Olympic Medical Center's challenges and subsequent action plan. The passage of the tax levy would produce funds that would be spent on providing core services that are not revenue generating such as the emergency department, inpatient hospital services, maternity, physician access, wellness and chronic disease management, financial assistance program for uninsured and underinsured. It was noted ballots were due on August 19, 2008.

NEW BUSINESS

Olympic Care and Rehabilitation Center Update

Mr. Lewis noted Olympic Medical Center still owns a small portion of Olympic Care and Rehabilitation Center through the LLC with Avamere and must approve any new debt secured by the LLC and announced Avamere's plans to upgrade the nursing home. Legal Counsel Craig Miller summarized the resolution for the loan document as presented to OMC as a minority owner in the LLC that owns the building and land only, (not the business).

MOTION: To authorize the CEO to enter into the Resolution of Municipal Corporate LLC Member agreement for the Sequim Properties II, LLC loan and to execute all related loan documents as presented.

Discussion: About the possibility of being bought out of this LLC. Commissioner Cammack abstained from the vote. ***Motion carried.***

Union Contract Updates

Assistant Administrator Richard Newman requested approval of the negotiated collective bargaining contracts as previously presented.

MOTION: To approve the UFCW Local 21 Clerical collective bargaining agreement as presented. ***Motion carried.***

MOTION: To approve the UFCW Local 21 Laundry collective bargaining agreement as presented. ***Motion carried.***

Telephone Switch and System Upgrades

Chief Technology Officer Linda Brown requested approval of a telephone switch and systems upgrades maintenance agreement with Qwest.

MOTION: To approve the three-year agreement with Qwest to provide support and maintenance for the phone switches and system in the amount of SIXTY FIVE THOUSAND EIGHT HUNDRED THIRTY DOLLARS AND TWENTY FOUR CENTS (\$65,830.24) plus tax for the first year and SEVENTY ONE

THOUSAND SEVEN HUNDRED FIFTY SIX DOLLARS AND FOUR CENTS (\$71,756.04) plus tax for the second and third years, for the total three year cost of TWO HUNDRED TWENTY SIX THOUSAND NINE HUNDRED TWENTY SEVEN DOLLARS AND SEVEN CENTS (\$226,927.07) including tax as presented.

Discussion: New switches that will not be covered by this agreement that need new agreements. The new switch at the 8th Street Clinic is on its one year maintenance now will be requested next year. **Motion carried.**

LSS License Purchase

Ms. Brown requested the purchase of twenty more LSS Licenses for the software that runs on the Meditech platform for the billing system for the primary care clinics. She noted this to be a budgeted item for shared licenses.

MOTION: To approve the purchase of twenty LSS licenses for physician billing at a total cost of ONE HUNDRED SIXTY TWO THOUSAND SIX HUNDRED DOLLARS (\$162,600). (Ninety Thousand Dollars (\$90,000) plus tax payable to LSS and SIXTY THOUSAND DOLLARS (\$60,000) plus tax payable to Meditech) as presented. **Motion carried.**

Anesthesiology Agreement

Chief Medical Officer R. Scott Kennedy, MD requested approval of a professional services contract for Dr. Werner Meier, Anesthesiologist.

MOTION: To approve the one year professional services agreement with Werner Meier, MD anesthesiologist for the period of July 1, 2008 through June 2009 as presented.

Discussion: Acknowledgment of exemplary service by physicians such as Dr. Werner. It was noted he covers half an FTE with Dr. John Martig.
Motion carried.

Surplus Property

MOTION: To approve the property listed on the pages 13-14 of the packet as surplus.
Motion carried.

There being no further business, the meeting was finally adjourned at 7:44 pm.

APPROVED AND ADOPTED this _____ day of _____, 2008.

ATTEST:

President

Secretary

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner