



**Board of Commissioners  
Meeting Minutes  
Linkletter Hall  
July 21, 2010**

The meeting was called to order at 6:00 pm by Board President John Beitzel in Linkletter Hall and immediately opened with the pledge of allegiance. Present were Commissioners Jim Cammack, Arlene Engel, Jean Hordyk, Jim Leskinovitch, John Miles, MD, and John Nutter; CEO Eric Lewis, CFO Julie Rukstad, Chief Technology Officer Linda Brown, Past Chief of Staff Mark Fischer, MD, DI Manager John Troglia, Women's Imaging Program Supervisor Kacey Eichacker, Marketing Manager Jeff Anderson; Legal Counsel Craig Miller; public participants and Executive Assistant Gay Lynn Iseri.

**CONSENT AGENDA**

- Minutes for June 16, 2010, June 30, 2010, July 7, 2010;
- Bad Debt for the month of June 2010 in the amount of \$425,297.76;
- Vouchers for the month of June 2010 in the amount of \$5,639,982.04;
- Payroll for the period of May 30, 2010 through June 26, 2010 in the amount of \$3,112,257.27.

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

**MEDICAL STAFF REPORT**

None.

**QUALITY REPORT**

***Focus on Safety***

Program Supervisor of Women's Imaging Kacey Eichacker discussed several areas of improvement in the Women's Imaging Program. She noted all services are completely digital and summarized program activities and marketing efforts and offered information about outreach efforts. Quality improvement efforts were shared and discussion ensued about volumes that are currently slowly increasing. See attached presentation slides.

**FINANCE REPORT SECOND QUARTER 2010**

Chief Financial Officer Julie Rukstad presented the second quarter 2010 finance report including second quarter statistics, year to date statistics, district 2010 quarter 2 operating results, district year to date June 2010 operating results, district total margin per quarter, district operating

margin per quarter, district total margin showing a ten year trend, total district salaries and benefits per net revenue, total A/R days vs DNFB (unbilled) average per month, and total days cash on hand as of June 30, 2010. Discussion ensued about controlling salaries and benefits, competition for profitable services, higher deductibles, deeper recession, and Medicare and Medicaid reimbursement cuts. See attached presentation slides.

#### **PUBLIC COMMENT**

- SEIU 1199NW Union Representative Adelina Gonzales spoke about current negotiations for OMC Dietary Employees.
- Dietary Employee Priscilla Schloss spoke about receiving a fair raise.
- Emergency Department Kristy Wright, RN spoke in support of a fair Dietary employee contract.

#### **PUBLIC HEARING: NORTH OLYMPIC LIBRARY SYSTEM LEVY LID LIFT**

Board president John Beitzel opened the public hearing at 6:42 pm asking for comments regarding the North Olympic Library System Levy Lid Lift.

- Public member Patty Hannah from Port Angeles spoke for the Citizens for Library asking for support in upcoming levy lid lift.
- Public member Bob Leonard from Sequim spoke against the lid lift as he has not seen any justification for such an increase.
- Library Director Paula Barnes clarified volunteer information, the actual rate of increase, and necessary reserves for economic uncertainties.

There being no further public comment, the public hearing was closed at 6:54 pm.

#### **OLD BUSINESS**

##### ***Resolution 436 – Supporting the North Olympic Library System Levy***

Board President John Beitzel asked for approval of the resolution.

***MOTION:*** To approve Resolution 436 - Supporting the North Olympic Library System Levy Lid Lift Ballot Proposition as presented. ***Motion carried unanimously***

***Physician Employment Agreements***

Chief Executive Officer Eric Lewis requested approval of the standard physician employment agreements for general surgeons Charles A. Bundy, MD and Sandra Tatro, MD that includes a 90 day out clause. He noted two more surgeons are actively being recruited.

***MOTION:*** To approve the general surgery physician employment agreements with Charles A. Bundy, MD and Sandra Tatro, MD with the guaranteed annual base salary of TWO HUNDRED EIGHTY FOUR THOUSAND THIRTY DOLLARS (\$284,030), effective November 1, 2010 as presented. ***Motion carried unanimously.***

***OMP Physician Operating Council Operating Rules***

Chief Executive Officer Eric Lewis requested approval of the Olympic Medical Physician (OMP) Operating Council Operating Rules as previously presented by Chief Medical Officer Scott Kennedy, MD. These operating rules would allow for formal physician leadership within the group to provide input and guidance within the group.

***MOTION:*** To approve the Olympic Medical Physicians Physician Operating Council Operating Rules as presented. ***Motion carried unanimously.***

Commissioner Leskinovitch requested periodic updates.

***MRI Installation Construction Project***

Chief Financial Officer Julie Rukstad requested approval to bid the Port Angeles MRI installation construction project.

***MOTION:*** To authorize Administration to publicly bid the MRI Installation Construction Project not to exceed FOUR HUNDRED THOUSAND DOLLARS (\$400,000) as presented. ***Motion carried unanimously.***

Formal bid approval will occur on August 18.

***Linear Accelerator Purchase***

Chief Financial Officer Julie Rukstad announced two vendors are still being negotiated with regarding a new linear accelerator purchase for the Sequim Cancer Center. Discussion will occur at the next Board Budget and Audit Committee meeting for more discussion at the August 18th meeting of the full board.

### ***Telecommunications Upgrade***

Chief Technology Officer Linda Brown requested approval of the upgrades and software.

***MOTION:*** To approve the purchase of upgrades for two Nortel PBX switches, E-911 software, and Symposium call center software at the cost of ONE HUNDRED THOUSAND FOUR HUNDRED FIFTY NINE DOLLARS (\$100,459) plus sales tax of EIGHT THOUSAND FOUR HUNDRED THIRTY EIGHT DOLLARS AND FIFTY SIX CENTS (\$8,438.56) for a total cost of ONE HUNDRED EIGHT THOUSAND EIGHT HUNDRED NINETY SEVEN DOLLARS AND FIFTY SIX CENTS (\$108,897.56) as presented.

***Discussion:*** As Nortel went bankrupt this purchase is with another vendor who has experience with Nortel switches to buy us more effective use time for the phone system that will be scheduled in September. This item is not budgeted but will be paid with substituted funds and was reviewed and recommended by the Board Budget and Audit Committee. ***Motion carried unanimously.***

### **CORRESPONDENCE**

None

### **ADMINISTRATOR'S REPORT – Eric Lewis, Administrator/CEO** ***Strategic Plan Update for 2<sup>nd</sup> Quarter 2010***

Mr. Lewis presented the second quarter update for the 2010-2012 Strategic Plan that will be discussed in more detail at the August Board Retreat. He reviewed the three main priorities of Quality, Patient Safety and Satisfaction, OMC and Community Relationships, and Organizational Performance. See attached presentation slides.

### **NEW BUSINESS**

#### ***Physician Recruitment Agreements***

Mr. Lewis introduced three physician recruitment contracts:

- A pediatrician for Peninsula Children's Clinic, Grace Yelland, MD, starting in late September with one year support between \$40,000 and \$50,000, up to \$10,000 moving expenses, and up to \$12,000 housing stipend first year.
- Two family practice physicians for Family Medicine of Port Angeles at .75 FTE each; Rienera Sivesend, MD and Christopher Frank, MD. Both with one year income subsidies and two year forgiveness up to \$135,000 the first year. These agreements will be brought to the Board in August for consideration.

Discussion ensued about approving the pediatrician recruitment agreement before the next meeting.

**MOTION:** To authorize the CEO to enter into the agreement up to \$50,000 for the pediatrician recruit. *Motion carried unanimously.*

***Lifeline Capital Purchase***

Chief Financial Officer Julie Rukstad introduced the purchase of 100 Lifeline units for Home Health. Currently, 792 subscribers are enrolled, with only 6 units currently available. Forty units would be replacements and sixty units for growth at the total cost of \$68,074. It was noted this is a 2010 budgeted expense, and units are ordered when necessary.

***Biomedical and Diagnostic Imaging Maintenance Agreement***

Ms. Rukstad announced the ten year contract with GE ends this year. Two vendors are being considered and a new proposal will increase to two employees onsite in the future. References and details are being studied looking towards best competitive bid.

***Surplus Equipment***

Ms. Rukstad requested approval to declare traded or obsolete equipment as surplus.

**MOTION:** To approve the equipment listed on page 38 of the board package as surplus equipment as presented. *Motion carried unanimously.*

**PUBLIC COMMENT**

None.

**OTHER**

It was proposed to cancel the August 4, 2010 Board meeting.

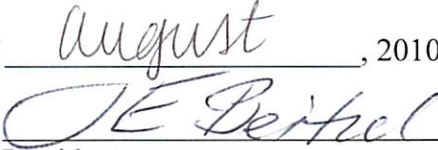

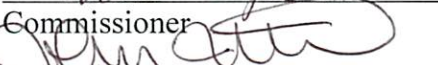
**MOTION:** To cancel the August 4, 2010 board meeting. *Motion carried unanimously.*

There being no further business the meeting adjourned at 7:41 pm.

**APPROVED AND ADOPTED** this 18<sup>th</sup> day of August, 2010.

**ATTEST:**

  
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