



**Board of Commissioners
Meeting Minutes
Linkletter Hall
May 16, 2012**

The special meeting was called to order at 5:15 pm in the Fairshter Room of Olympic Medical Center by board president John Miles, MD. Present were Commissioners John Beitzel, Jim Cammack, Jean Hordyk, Jim Leskinovitch, and Tom Oblak and was immediately moved to executive session to discuss personnel matters by authority of RCW42.30.110 (1)(g). Commissioner Nutter was excused. At 5:27 pm, the meeting concluded.

At 6:00 pm, the meeting continued in Linkletter Hall and was opened with the pledge of allegiance. Also present were CEO Eric Lewis; CMO Scott Kennedy, MD; CFO Julie Rukstad; CNO Lorraine Wall; Chief Physician Officer Rebecca Corley, MD; Compliance Officer Mic Sager; Legal Counsel Craig Miller; staff, public participants and Executive Assistant Gay Lynn Iseri.

NEW PHYSICIAN MEET AND GREET – *Rebecca Corley, MD, chief physician officer*

- a. Michael McDonald, MD, sleep medicine, came from Portland, OR and practiced for many years in ENT. He started work at the Sleep Lab May 1, and is looking forward to developing our regional sleep clinic.
- b. Stephenie Bennett, PA-C, family practice, came from Yakima, WA, three months ago, and works full time at the OMC primary care group and in the local extended care facilities.

CONSENT AGENDA

- a. Minutes for April 18, 2012 and May 2, 2012;
- b. Bad Debt for the Month of April 2012 in the amount of \$337,385.39;
- c. Vouchers for the Month of April 2012 in the amount of \$5,805,085.56; and
- d. Payroll for the Period of April 1, 2012 through April 28, 2012 in the amount of \$3,481,305.06.

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

MEDICAL STAFF REPORT

Dr. Scott Kennedy, chief medical officer, presented the following April 2012 Medical Staff Credentials Report for approval in the absence of Chief of Staff Madeleine Harrington, MD.

ALLIED HEALTH PROFESSIONAL STAFF

Appointment to the Provisional Allied Health Professional Staff:

1. Starck, Linda, ARNP ARNP – OMP Urgent Care Clinic (Pending OMC Insurance)
Rebecca Corley, MD Supervising physician

Reappointment to the Allied Health Professional Staff:

1. Talley, Miriam, CRNA Anesthesiology (Pending CME)

MEDICAL STAFF

Appointment to the Provisional Active Staff:

1. McDonald, Michael L., MD Sleep Medicine
2. Mitchell, David, MD RADIA – Radiology

Extension of the Provisional Active Staff:

1. Heisterkamp, Georgia, MD General Surgery
2. Ure, Keith, MD Orthopedic Surgery

Reappointment to Active Medical Staff:

1. Bullen, Laura, MD Pediatrics
2. Crim, Michael, MD Family Medicine
3. Emery, James, MD Cardiology
4. Epstein, Robert, MD Family Medicine
5. Fischer, Mark, MD Internal Medicine
6. Gordon, Lawrence, MD Family Medicine
7. Sessions, Edward, MD Radiology
8. Weller, Jeffery, MD Family Medicine
9. Zuzarte, Josephine, MD Anatomical and Clinical Pathology

Reappointment to Courtesy Medical Staff:

1. McGovern, Tristan, MD Orthopedic Surgery
2. Weber, Carl, MD Internal Medicine

MOTION: To approve the April 2012 medical staff credentials report as presented.
Motion carried unanimously.

Commissioner John Nutter joined the meeting.

CANCER CENTER TRUEBEAM UPDATE - Rena Zimmerman, MD, radiation oncologist

The board received a radiation oncology update from Dr. Zimmerman who discussed the benefits of the new TrueBeam linear accelerator including stereotactic radiosurgery and stereotactic body radiation therapy. She explained the Aktina device that immobilizes the patient and allows the radiation to be delivered quickly and very accurately at a high dose. Challenging economic times have forced patients to defer healthcare needs, but recently more patients have started to come in for consults. With the addition of the large bore CT scanner, increased comfort for the patient has also increased quality and satisfaction. She spoke in high regards of the treatment team at the cancer center including full time medical physics support, and an onsite lymphodema therapist.

Chief Executive Officer Eric Lewis also commended the team at the cancer center for making a difference to our patients with cancer, Director Ken Berkes for doing an outstanding job, and the OMC Foundation for supporting the purchase of the equipment. See attached presentation.

QUALITY REPORT

Focus on Safety – Scott Kennedy, MD, chief medical officer

Dr. Kennedy reviewed the 2012 National Patient Safety Guidelines for possible safety issues. OMC is looking at a safety project and three preventative issues. He reported on Swedish personnel, John Vassel and Mary Gregg, who hold safety huddles several times a day when department management is brought together to discuss potential safety issues seen in the hospital that day. This effective forum will be considered at OMC.

He stated the influenza season arrived late this year being declared on March 23, and was just been declared over. Hospital personnel had to be immunized or wear a mask; 95% of OMC staff chose to be immunized and 96% of the Medical Staff. For a total of 49 days, 100% of OMC staff participated in the choice program.

Twelve cases of Pertussis in Clallam County have been confirmed. Of these cases, 15% were immunized before the initiative for immunization began, and today, we are at 73%. All children should receive the Pertussis immunization, but the real problem in the community occurs after age 7 when immunity has waned. The Tdap immunization is after age 11. Healthcare workers, pregnant woman in their second or late trimester, and caregivers around the home near children are also in need the Tdap immunization.

Elective deliveries of babies before 39 weeks gestational age is being further cautioned to prevent the increased risk for respiratory or feeding trouble. It has now become a quality measure, and currently, OMC is at 0% induction before 39 weeks.

COMPLIANCE UPDATE – Mic Sager, compliance officer

A current focus is around Medicaid patients and excessive emergency room usage. Forty percent of Medicaid patients have visited the emergency department in the past year as compared to eighteen percent of patients with private insurance. A video was shared from the WSMA regarding the seven best practices to reduce preventable emergency room visits entitled “An Alternative Plan to Reduce Preventable Emergency Room Visits”. A voluntary program to implement seven best practices with the goal of redirecting care to the most appropriate setting will be entered into voluntarily by June 15, and a reduction in the number of preventable emergency room visits needs to occur by January 15, 2013. This *ER is for Emergencies* initiative aims to redesign the way care is delivered. The Washington State Hospital Association is advocating for us now, because this will be a costly program.

PUBLIC COMMENT

None.

OLD BUSINESS

Collection Agency Agreements – Julie Rukstad, chief financial officer

The two contracts that were introduced at a previous meeting for collection agencies were summarized and approval was requested. It was noted the Board Budget, Audit and Compliance Committee had reviewed and recommended approval of both agreements.

MOTION: To authorize the chief executive officer to sign agreements with Evergreen Financial Services, Inc. and United Collection Service, Inc. for collection services with each having a fee of 20% (TWENTY PERCENT) of funds collected. ***Motion carried unanimously.***

ADMINISTRATOR'S REPORT – Eric Lewis, chief executive officer

Operations Update

Volumes were slow in April, especially on the inpatient side, coming in at 4% lower than 2011. The Emergency Department had 6% fewer visits compared to last year, and adjusted patient days came in at 7% lower than last year for the first four months. Volumes continue to be down due to high deductibles and other financial difficulties, and only a few services have increased in volumes. Expenses aren't shifting down fast enough. Accounts receivable days came in at 50 days, and the cash position remains at 91 days. Flexing down to match volumes continues on a daily basis.

The Sleep Lab is moving from the third floor of the hospital to the Sequim Medical Plaza, and is currently in design phase. It will provide better service being in one location and free up rooms to accommodate twelve more beds on the floor.

The Sequim Walk-in clinic is now open, and an average of twelve patients are being seen per day. The clinic will slowly expand with more practitioners, and parking is needed before any expansion will occur.

A new parking lot at the hospital will add one hundred spots east of hospital. An additional power supply from the east will also be installed to provide another grid from the city, so the hospital will be dual fed. This project will be brought to the board in June for consideration, and the results of the bid presented in July. The project will be funded using 2011 debt funds.

The Swedish affiliation is now in its seventh month. Sleep medicine was first clinical affiliation, and now neurology, cardiology, telemedicine have been added. The Epic implementation is underway with Providence and Swedish, and also the change in the buying group. Soon Port Angeles and Sequim will set up more telemedicine capabilities. OMC remains pleased that Swedish has delivered everything as promised.

Medicare Advocacy/Washington D.C. Trip

Board Secretary John Beitzel presented information about the annual American Hospital Association Annual Meeting in May, noting fairly imminent examples of uncertainty are on the horizon with the Supreme Court decision on the Affordable Care Act, the November election and Physician Medicare payments and Medicare extenders. Informative meetings then occurred with legislators following the conference.

Mr. Lewis announced hospital based clinics are under fire which would mean a huge loss for OMC as Medicare reimbursement already doesn't cover costs. Zero cuts to current Medicare reimbursement is now the best case scenario OMC can look forward to, but more than likely we will see significant cuts.

NEW BUSINESS

Advanced Practice Clinician Employment Agreement – Rebecca Corley, MD, chief physician officer

Request for approval for the contract was presented for Maia Schramm, PA-C who would join the family practice clinic located at 8th and Vine in September 2012.

MOTION: To approve the standard employment agreement with Maia Schramm, PA-C, at the annual base salary of EIGHTY FIVE THOUSAND DOLLARS (\$85,000) as presented. ***Motion carried unanimously.***

Cancer Center Software Maintenance Agreement – Scott Kennedy, MD, chief medical officer
Request for approval of the Varian TrueBeam software annual agreement was then requested.

MOTION: To approve the one year service agreement with Elekta at the total cost of EIGHTY ONE THOUSAND ONE HUNDRED FIFTY SEVEN DOLLARS (\$81,157) plus tax effective May 31, 2012. ***Motion carried unanimously.***

Diagnostic Imaging X-Ray Equipment – Scott Kennedy, MD, chief medical officer

The request to upgrade to wireless to remove some old equipment from the emergency room was presented. It was noted that Radia would assist by providing \$2,000 dollars towards the purchase of this much needed equipment.

MOTION: To approve the purchase of the wireless digital portable x-ray unit from Assured Imaging at the total cost of ONE HUNDRED FIVE THOUSAND TWO HUNDRED TWO DOLLARS AND TWENTY CENTS (\$105,202.20) including tax as presented. ***Motion carried unanimously.***

Surplus Property – Julie Rukstad, chief financial officer

Request to approve the fully depreciated property, most of it equipment, was requested.

MOTION: To approve the equipment listed on pages 24-25 of the board packet as surplus. *Motion carried unanimously.*

There being no further business the meeting finally adjourned at 8:19 pm.

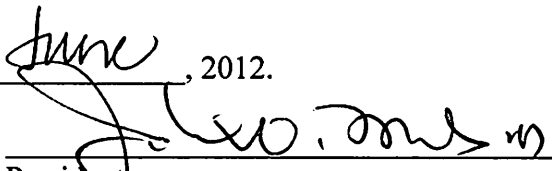
APPROVED AND ADOPTED this 20 day of June, 2012.

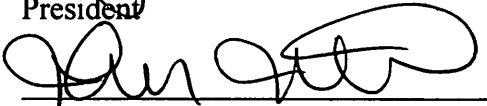
ATTEST:

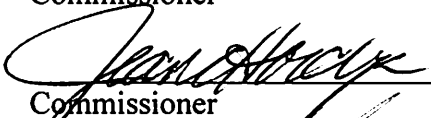

Secretary

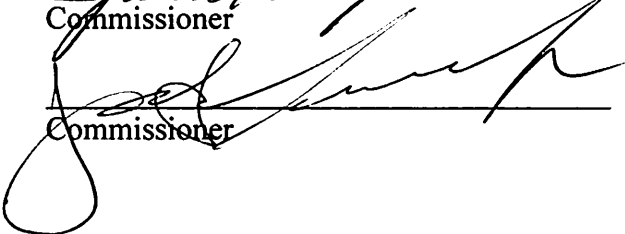
Commissioner

Commissioner


President


Commissioner


Commissioner


Commissioner