



**Board of Commissioners
Meeting Minutes
Linkletter Hall
March 16, 2011**

The meeting was called to order at 6:00 pm by Board President Jim Cammack in Linkletter Hall and immediately opened with the pledge of allegiance. Present were Commissioners John Beitzel, Arlene Engel, Jean Hordyk, Jim Leskinovitch, John Miles, MD, and John Nutter; CEO Eric Lewis; CMO Scott Kennedy, MD; CNO Lorraine Wall; Assistant Administrators Rhonda Curry and Rich Newman; Administrative Director Risk Management Donna Davison; Chief of Staff Harry Lyndes, MD; Former Chief of Staff Mark Fischer, MD; Legal Counsel Craig Miller; public participants and Executive Assistant Gay Lynn Iseri.

NEW PROVIDER MEET AND GREET

Chief Executive Officer Eric Lewis introduced Rebecca Corley, MD who thanked the board for their approval and purchase of the ventilators for CCU. She introduced the newest pulmonologist, Dr. Gur Raj S. Deol, MD, who has brought endoscopic bronchoscopies to OMC. Dr. Deol stated he has been here seven months and his family loves the area.

Mr. Lewis introduced Christopher J. Frank, MD, Family Medicine, and Rienera S. Sivesind, MD, Family Medicine, who both joined Family Medicine of Port Angeles in November and moved here from the Midwest with their families.

TEAM OMC NEW ORLEANS RECOGNITION – *Bruce Skinner, Executive Director OMC Foundation*

Mr. Skinner welcomed Team OMC New Orleans who raised \$57,254 for the OMC Foundation, \$42,000 of that being pure profit that goes towards purchasing equipment for the hospital. He noted this to be the 8th year of Team OMC traveling to Rock ‘n’ Roll Marathons held around the country.

CONSENT AGENDA

- Minutes for February 16, 2011 and March 2, 2011;
- Bad Debt for the month of February 2011 in the amount of \$288,418.46;
- Vouchers for the month of February 2011 in the amount of \$5,496,196.22;
- Payroll for the period of February 5, 2011 through March 5, 2011 in the amount of \$3,316,095.41.

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

MEDICAL STAFF RECOMMENDATIONS - Chief of Staff Harry Lyndes, MD

Dr. Lyndes requested approval of the February 2011 Medical Staff Credentials report as follows:

ALLIED HEALTH PROFESSIONAL STAFF

Appointment to the Provisional Allied Health Staff:

1. Brown, Jennifer A., CNM OB/GYN
Supervising physician: Randell Bauman, MD

Reappointment to the Allied Health Staff:

1. Short, Dean, PA-C Orthopedic Surgery (Supervising physician: Tristan McGovern, MD)
2. Turner, Deborah, PA-C Medical Oncology (Supervising physician: Thomas Kummet, MD)

MEDICAL STAFF

Reappointment to the Active Staff:

1. Sullivan, Charles, MD Family Medicine

Reappointment to the Provisional Active Staff:

1. Farrell, Kathleen, MD Family Medicine

Appointment to the Courtesy Staff:

1. Erickson, Peter, J. MD Family Medicine

Reappointment to the Courtesy Staff:

1. Kittle, E. Laura, MD Family Medicine
2. Olsen, Kari, MD Family Medicine
3. Owings, Raymond, MD Pathology

Request for Change in Status:

1. Lindfors, Dennis, MD RADIA – Radiology
Change from Telemedicine to Provisional Active

Resignation from Courtesy Staff:

1. Eisenstadt, Mark, MD Psychology – Retired August 1, 2010

LOCUM TENENS PRIVILEGES GRANTED – FYI

1. Prejean, Joseph, MD RADIA – Radiology

MOTION: To approve the February 2011 Medical Staff Credentials Report as presented. **Motion carried unanimously.**

QUALITY REPORT

Focus on Quality – Lorraine Wall, Chief Nursing Officer

The quarterly report focused on acute myocardial infarction measures, administration of clot busting medication within 30 minutes, arrival time to ECG, heart failure patients receiving discharge instructions, pneumonia patients and antibiotics, and the Surgical Care Improvement Project (SCIP) indicators. In summary, core measures were defined as evidenced based care to provide best care for patients to support better outcomes including decreased morbidity and mortality, disability, length of stay and readmissions. (See attached presentation slides).

PUBLIC COMMENT

Mary Reynolds, Med/Surg employee, spoke about service, nursing and dietary bargaining teams being represented at same table, rates and benefits, bargaining meeting times, enforced staffing minimums, staffing ratios, and float pool.

Tom Herbert, Surgical Services employee, spoke about secure retirement, benefit packets, pensions for new hires, short term disability, training funds, and Peninsula College.

Andrew Jansson, Dietary employee spoke about a ban on sub-contracting and training for RNs.

OLD BUSINESS

Tertiary Medical Center Affiliation Direction – Eric Lewis, Chief Executive Officer

Mr. Lewis summarized the process leading up to establishing a tertiary medical center affiliation that began nearly nine months ago at a joint board meeting in Chelan following the WSHA Rural Summer Hospital Workshop with Jefferson Healthcare and Forks Community Hospital. After seven responses to the request for information were received, Swedish Medical Center was recommended. Key points were summarized regarding the affiliation, the process to date, and the proposed content of the letter of intent. Commissioner Beitzel presented information from Swedish Medical Center. Currently, Epic is the choice for EMR across the country. Swedish can provide it to us at a price we can afford. (See attached presentation slides).

Chief of Staff Harry Lyndes, MD, noted the medical staff is the consumer of the EMR, and one of the main advocates for patients. Swedish has a great plan that OMC can afford. When a patient is sent for tertiary care, doctors need to know what is going on with their patients. Epic is the best medical record available and Swedish already has it up and running. Swedish is committed to do what they do best, and letting us do what we do best. The Medical Executive Committee voted unanimously to recommend Swedish to the board of commissioners. The Physicians Council of Olympic Medical Physicians, including William Kintner, MD, Chairman, and Rebecca Corley, MD, Chief Physician Officer announced the employed providers also voted unanimously to choose Swedish Medical Center.

MOTION: To authorize the CEO to negotiate a non-binding Letter of Intent with Swedish Medical Center for Board consideration by April 20, 2011 and, if approved, to negotiate and finalize a Tertiary Medical Center Affiliation Agreement with Swedish Medical Center for Board consideration by June 15, 2011 as presented.

Discussion: These dates are guidelines only to keep the momentum going. Commissioner Hordyk thanked everyone for their time commitment in this process. *Motion carried unanimously.*

Endoscopy Scopes Maintenance Agreement – Scott Kennedy, MD Chief Medical Officer
As previously presented to the board, approval was requested to renew the contract with Olympus Endoscopy for scopes with no increase in rate per scope.

MOTION: To approve the renewal of the three-year maintenance agreement with Olympus Endoscopy Scopes at the annual cost of FIFTY THREE THOUSAND NINE HUNDRED EIGHTY SEVEN DOLLARS AND FIFTY THREE CENTS (\$53,987.53) plus tax as presented. *Motion carried unanimously.*

Northwest Medical Physics Center Agreement – Scott Kennedy, MD Chief Medical Officer
As previously presented to the board, approval was requested for the contract with Northwest Medical Physics Center to provide the physicist support at the cancer center in Sequim.

MOTION: To approve the one year agreement with Northwest Medical Physics Center to provide physicist coverage at the cancer center for FOUR HUNDRED AND TWELVE THOUSAND ONE HUNDRED NINETY EIGHT DOLLARS (\$412,198) for 1.4 FTEs as presented.

Discussion: The Board Budget and Audit Committee reviewed and recommended this agreement due to the new TrueBeam Linear Accelerator purchase. *Motion carried unanimously.*

Hardware Mainframe Services Agreement – Julie Rukstad, Chief Financial Officer
As previously presented, approval was requested for the IBM hardware mainframe services agreement.

MOTION: To approve the one-year extension of the current agreement with IBM for maintenance and service on mainframe hardware for the total cost of FIFTY ONE THOUSAND FOUR HUNDRED EIGHTY FIVE DOLLARS (\$51,485) as presented.

Discussion: Board Budget and Audit Committee recommended approval of this agreement to maintain the infrastructure that makes the organization run.
Motion carried unanimously.

Data Switch Purchase – Julie Rukstad, Chief Financial Officer

As previously presented the budgeted third quarter 2011 item, was moved to first quarter due to current construction projects and newly recruited physicians coming into the area.

MOTION: To approve the purchase of the Cisco data switch for the Sequim Medical Services building at the total cost of EIGHTY THREE THOUSAND EIGHT HUNDRED TWO DOLLARS (\$83,802) including tax as presented. **Motion carried unanimously.**

Phone Maintenance Agreement – Julie Rukstad, Chief Financial Officer

As previously presented, approval was requested for the agreement with Qwest for phone system maintenance and preventative maintenance.

MOTION: To approve the two-year agreement for phone system maintenance and preventative maintenance at the annual cost of EIGHTY ONE THOUSAND THREE HUNDRED SIXTY THREE DOLLARS AND FIFTY CENTS (\$81,363.50) with Qwest as presented.

Discussion: Commissioner Nutter noted this will give OMC the ability to maintain the 15 year old phone system for a few more years. **Motion carried unanimously.**

Real Estate Purchase – Julie Rukstad, Chief Financial Officer

Also as previously presented, the transaction to sell OMC's minority ownership in Olympic Care and Rehabilitation in Sequim from Avamere was presented.

MOTION: To declare as surplus the minority interest in the Sequim Properties II, LLC as presented.

Discussion: As this is personal property and not real property, no appraisals or public hearings were necessary. Mr. Lewis stated this was a fair price, the appraisal was examined, and the 8% minority interest of equity remaining was also a very fair deal. **Motion carried unanimously.**

MOTION: To authorize the CEO to execute all documents necessary to sell Olympic Medical Center's minority ownership in Sequim Properties II, LLC to Sequim Properties, LLC (Part of the Avamere Family of Independent Companies) for FOUR HUNDRED THOUSAND DOLLARS (\$400,000) as presented.

Discussion: The Board Budget and Audit Committee reviewed and recommended this transaction. *Motion carried unanimously.*

The next item of business was to request approval to purchase the 5,600 square foot building located at 519 S. Peabody Street, Port Angeles on 2.5 city lots with the intention to consolidate two billing departments under one roof. Those two departments are currently renting two different buildings for the total of \$110,000 per year.

MOTION: To approve the purchase of the property located at 519 S. Peabody Street, Port Angeles for the total cost of FIVE HUNDRED SIXTY THOUSAND DOLLARS (\$560,000) as presented. *Motion carried unanimously.*

CORRESPONDENCE

Noted was a letter of thanks from the Department of Veterans Affairs for allowing them to rent space from OMC to provide care to local Veterans.

ADMINISTRATOR'S REPORT – Eric Lewis, Chief Executive Officer

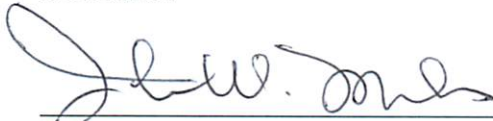
Advocacy Update

Mr. Lewis reported on a recent trip with the CEO and board members from Jefferson Healthcare to Olympia to meet with state legislators Van de Wege and Tharinger to discuss the budget and issues at state level.

There being no further business the meeting finally adjourned at 7:40 pm.

APPROVED AND ADOPTED this 20th day of April, 2011.

ATTEST:


Secretary


Commissioner

Commissioner


President


Commissioner


Commissioner


Commissioner