



**Board of Commissioners
Meeting Minutes
Linkletter Hall
March 17, 2010**

The meeting was called to order at 6:00 pm by Board President John Beitzel and was opened with the pledge of allegiance. Present were Commissioners Jim Cammack, Arlene Engel, Jean Hordyk, Jim Leskinovitch, and John Miles, MD; CEO Eric Lewis, CMO R. Scott Kennedy, MD, CFO Julie Rukstad, Assistant Administrators Rhonda Curry, Pam Hawney; Administrative Director Donna Davison; Chief of Staff Harry Lyndes, MD, Past Chief of Staff Mark Fischer, MD, Director Nutrition Services Graciela Harris, Legal Counsel Craig Miller; public participants and Executive Assistant Gay Lynn Iseri.

SERVICE LINE UPDATE: NUTRITION SERVICES

Nutrition Services Director Graciela Harris presented the monthly service line regarding Nutrition Services and Diabetes Education. She presented an overview of the department, covered key indicators, reviewed operations, discussed challenges and opportunities and spoke about employees, events, and activities. See attached.

CONSENT AGENDA

- Minutes for February 16, 2010, February 17, 2010 and March 3, 2010;
- Bad Debt for February 2010 in the amount of \$451,528.67;
- Vouchers for the month of February 2010 in the amount of \$5,880,462.71;
- Payroll for the period of February 7 through March 6, 2010 in the amount of \$3,028,241.59.

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

Commissioner Nutter joined the meeting.

MEDICAL STAFF REPORT

Chief of Staff Harry Lyndes, MD requested approval of the February 2010 medical staff credentials report as follows:

ALLIED HEALTH PROFESSIONAL STAFF

Reappointment to the Allied Health Professional Staff:

1. Turner, Deborah, PA-C OMCC

MEDICAL STAFF

Appointment to the Provisional Active Medical Staff:

1. Farrell, Kathleen, DO Family Medicine

Appointment to the Active Medical Staff:

1. Harrah, Gregory, MD Emergency Medicine

Reappointment to the Active Medical Staff:

1. Averill, Rex, MD Urology
2. Hobbs, William, MD Internal Medicine
3. Oakes, Jerry, MD Family Medicine

Reappointment to the Telemedicine Staff:

1. Lau, Theodore, MD Cardiology

Resignation from the Medical Staff:

1. Danenhower, C. Clay, MD Pathology, Resignation effective: 9/30/09
2. Fahmy, Raed, MD Telemedicine, Cardiology, Resignation effective: 01/26/10
3. Niemeyer, Agnieszka, MD Dermatology, Resignation effective: 01/21/10

Leave of Absence Requested:

1. Erickson, Peter, MD Family Medicine, One year LOA requested
2. Mowry, James, MD Orthopedic Surgery, 6 month LOA requested

LOCUM TENENS PRIVILEGES GRANTED - FYI

1. Jones, Willam B., MD Radiology
2. Mitchell, David, MD Radiology
3. Jensen, Ralph, MD Radiation Oncology

It was noted Dr. Farrell was appointed to provisional staff.

MOTION: To approve the February 2010 Medical Staff Credentials Report as presented. ***Motion carried unanimously.***

QUALITY REPORT

Focus on Quality

Chief Nursing Officer Lorraine Wall presented the Quality Report to the Board beginning by stating the goal to "... achieve and sustain top national hospital performance on all Medicare and Medicaid (CMS) measures and all other Executive Quality Committee Quality Subcommittee indicators..." with that she spoke about the current work on core measures, reviewed measures for the surgery care improvement project and announced quality goals for 2010. See attached.

PUBLIC COMMENT

Public member Hal Barwick from Orange Park, Florida requested OMC accommodate cash customers without mailing statements.

OLD BUSINESS

CT Planning Equipment for Cancer Center

Assistant Administrator of Specialty Services Pam Hawney requested approval to purchase CT planning equipment for the Cancer Center as introduced at the last meeting to meet onsite needs, reduce radiation exposure to patients and improve patient safety and satisfaction. She noted this purchase was reviewed and recommended by the Board Budget and Audit Committee.

MOTION: To approve the purchase of a GE 16-Slice planning CT for the Cancer Center at the cost of SEVEN HUNDRED AND FIVE THOUSAND DOLLARS (\$705,000) plus tax and installation, including an annual maintenance agreement for SEVENTY SEVEN THOUSAND THREE HUNDRED SEVENTY DOLLARS (\$77,370) for four years following the first year warranty as presented. ***Motion carried unanimously.***

Diagnostic Imaging Equipment

Director of Diagnostic Imaging Deby King requested approval of the equipment as presented at the last meeting which would expand hours of service and consolidate equipment. The evaluation team selected GE as the preferred vendor for consistency and standard of care. She noted the Board Budget and Audit Committee had reviewed and recommended this purchase. Commissioner Cammack commended the selection team, as both vendors were competitive cost wise, but GE would provide the better service and best maintenance agreements. Commissioner Nutter noted this purchase fits well within budget constraints and the strategic plan. Commissioner Leskinovitch added the reason for the purchase of the wide bore was to accommodate bariatric patients.

MOTION: To approve the purchase of a GE 64-slice CT to be located on the Sequim Campus at the total cost of EIGHT HUNDRED TWENTY THOUSAND SEVEN HUNDRED FORTY DOLLARS (\$820,740) plus tax and installation, including an annual maintenance agreement for ONE HUNDRED THIRTEEN THOUSAND ONE HUNDRED TWENTY DOLLARS (\$113,120) for four years following the first year warranty as presented. ***Motion carried unanimously.***

MOTION: To approve the purchase of a GE wide, short bore MRI to be located at the Hospital in Port Angeles at the cost of ONE MILLION TWO HUNDRED SIX THOUSAND EIGHT HUNDRED SEVENTY THREE DOLLARS (\$1,206,873) plus tax and installation, including an annual maintenance agreement for ONE HUNDRED THIRTEEN THOUSAND FOUR HUNDRED SIXTY DOLLARS (\$113,460) for four years following the first year warranty as presented. ***Motion carried unanimously.***

Telestroke Agreement with Swedish Medical Center

Chief Medical Officer Scott Kennedy, MD, requested approval of an agreement with Swedish Medical Center Neuro Science to enhance stroke team readiness, increase education to patients in the community and signal OMC is entering into the field of telemedicine. Commissioner Miles requested an annual report on usage and feedback from physicians who use this service. Timing was also discussed for the patient who presents with stroke, EMS training, exam in emergency department, ordering of head CT, profiling risk factors and turnaround time.

MOTION: To approve the 3-year Telestroke Agreement with Swedish Medical Center Neuro Science Institute at the cost of EIGHT THOUSAND DOLLARS (\$8,000) for the first year with FOUR THOUSAND DOLLARS (\$4,000) defrayed by the J.D. Murdock Grant, TEN THOUSAND DOLLARS (\$10,000) for the second year, TWELVE THOUSAND DOLLARS (\$12,000) for the third year and the fourth year fee negotiated as presented.

Discussion: Equipment needs were discussed and the implementation date is late summer or approximately 120 days. ***Motion carried unanimously.***

Physician Recruitment and Employment Agreements

Dr. Kennedy then requested and recommended approval of the following previously presented physician recruitment and employment agreements:

MOTION: To approve the physician employment agreement amendment for James Flowers, MD extending the term three months from April 1st to June 30th, 2010 with the guaranteed base salary of SEVENTY ONE THOUSAND SEVEN DOLLARS AND FIFTY CENTS (\$71,007.50) for the second quarter 2010 with high productivity incentives as presented. ***Motion carried unanimously.***

MOTION: To approve the employment agreement for Erin Nelli, DO, hematology/oncology and board certified in internal medicine, beginning August 2010 at the guaranteed base salary of THREE HUNDRED THOUSAND DOLLARS (\$300,000) for the first three years with high productivity incentives as presented.

Discussion: This contract is the standard physician employment agreement. This includes the standard out clause of 90 days due to the long moving distance involved. It was noted the medical staff requirement is to be board certified or actively in that process before contracting. ***Motion carried unanimously.***

MOTION: To approve the employment agreement for Michael Shevach, MD, board certified radiation oncologist beginning August 2010 at the base salary of FOUR HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$425,000) and high productivity incentives as presented. **Motion carried unanimously.**

MOTION: To approve the physician recruitment support contract with Family Medicine of Port Angeles for the specific purpose of recruiting Jennifer Marie Brown, MD for up to ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$175,000) plus recruitment incentives for the first year with a two year forgiveness period as presented. **Motion carried unanimously.**

Hospital Signage

Chief Financial Officer Julie Rukstad requested approval to purchase internal signage for Olympic Memorial Hospital. She added the Board Budget and Audit Committee had reviewed and recommended approval to improve patient way finding, to adhere to ADA compliance and for patient safety improvements.

MOTION: To approve the purchase of new internal signage for the hospital from GSI Signs at the cost of ONE HUNDRED SEVENTY ONE THOUSAND FOUR HUNDRED FIFTY DOLLARS (\$171,450) plus tax as presented. **Motion carried unanimously.**

Volunteers in Medicine of the Olympics (VIMO) Contract

Ms. Rukstad then requested approval of the contract with the Volunteers in Medicine of the Olympics (VIMO) Clinic. The contract had been reviewed and recommended by the Board Budget and Audit Committee to provide mental health services for the uninsured.

MOTION: To approve the agreement with Volunteers in Medicine of the Olympics (VIMO) contract to provide mental health services for the uninsured in the amount of FIFTY SIX THOUSAND DOLLARS (\$56,000) for 2010 as presented. **Motion carried unanimously.**

Authorization to Bid Hospital Elevator Project

Deferred.

CORRESPONDENCE

None.

ADMINISTRATOR'S REPORT – Eric Lewis, CEO

Construction Update

Chief Executive Officer Eric Lewis updated the board on current construction projects including the elevator project, Sequim campus upgrades, and the emergency department project. He illustrated the need for more space and announced a ten year campus development plan in both Port Angeles and Sequim is being developed. See attached.

Health Care Reform Update

Mr. Lewis announced the House of Representatives is currently considering the health care reform bill passed by the Senate in December under a new rule as deemed as being passed already. As soon as rule is passed, they will try for approval, but no detail is currently available and changes daily. He noted three main reasons for health care reform are to control future cost increases, to improve access to care and to improve outcomes.

BOARD PRESIDENT'S REPORT – John Beitzel, Board President

Community Roundtable

Board president John Beitzel announced that as the board agreed to improve communications with community leaders, a new forum called Community Roundtables has been established. The first one was held on March 11. He thanked Bobby Beeman, Rhonda Curry, Eric Lewis and John Nutter for their involvement in the roundtable. The next forum will occur in May in Sequim. See attached.

AMA Nathan Davis Award for Mary Selecky, Secretary of Health

Commissioner Beitzel announced Mary Selecky was recently awarded the AMA Nathan Davis Award named for the founder of the AMA. The State health officer nominated her for her years of service in rural public health. Public board of health put together a letter thanking her, and he announced he will also sign the letter.

NEW BUSINESS

Pharmacy Auto Replenishment System

Chief Nursing Officer Lorraine Wall introduced the purchase of a system that will close the loop on how we manage medications by utilizing the bar code number. Drugs are scanned and placed on shelves. When there is need, they are picked, scanned, quality checked, scanned again and taken up to the units to the Pyxis machine and scanned once again before being introduced into the machine. It was budgeted for \$70,000, but the current pricing is \$66,544. Formal approval will be sought at a future board meeting upon Board Budget and Audit Committee review.

Surplus Equipment

Chief Financial Officer Julie Rukstad requested approval of surplus equipment that was obsolete.

MOTION: To approve the equipment on page 45 of the board package as surplus as presented.

Discussion: The depreciated hood was replaced for safety concerns and will be sold. ***Motion carried unanimously.***

PUBLIC COMMENT

None.

OTHER

Commissioner Jim Cammack commented about the lean training he participated in and encouraged ALT to include more board members in future training. Commissioner Hordyk who also participated noted she was impressed in the training as well.

There being no further business the meeting was adjourned at 7:56 pm.

APPROVED AND ADOPTED this _____ day of _____, 2010.

ATTEST:

President

Secretary

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner