



**Board of Commissioners
Business Meeting Minutes
May 21, 2014**

The regular meeting of the Board of Commissioners was called to order by Board President Jim Leskinovitch in Linkletter Hall and was opened with the pledge of allegiance. Also in attendance were Commissioners John Beitzel, Jim Cammack, Jean Hordyk, John Miles, MD, John Nutter, and Tom Oblak; CEO Eric Lewis; CMO Scott Kennedy, MD; CNO Lorraine Wall, RN, MSN; Chief of Staff Carleen Bensen, MD, OMP Chief Physician Officer Rebecca Corley, MD; Epic Physician Champion Mark Fischer, MD; Employee Counsel Jennifer Burkhardt; Communications Manager, Bobby Beeman, Legal Counsel Craig Miller, staff, public participants and Executive Assistant Gay Lynn Iseri. CFO Julie Rukstad and Administrative Director Donna Davison were excused.

RECOGNIZING OUR STATE REPRESENTATIVES

State Representative Steve Tharinger was recognized for his extensive work helping the Sole Community Hospital Bill (SB 5859) pass. Work began in 2013 with Representatives Tharinger and Kevin Van De Wege, and Senator James Hargrove, but the bill did not get out of committee. But the ground work was set, and in 2014, due to the combined efforts of many, the bill passed increasing Medicaid reimbursement for outpatient services by 25% for sole community hospitals in Washington State. This raised the reimbursement from 55% of cost to 70% of the cost of care. Representative Van De Wege was unable to attend the meeting, and Senator Hargrove will be honored at a future meeting.

CONSENT AGENDA

- A. Minutes from April 15, 2014, April 16, 2014, April 17, 2014, May 2, 2014, and May 7, 2014;
- B. Bad Debt for April 2014 in the amount of \$780,613.61;
- C. Vouchers for April 2014 in the amount of \$7,416,210.39;
- D. Payroll for the period of March 30, 2014 through April 26, 2014 in the amount of \$3,702,978.33.

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

MEDICAL STAFF REPORT – Carleen Bensen, MD, chief of staff
April 2014 Credentials Report:

Appointment with privileges requested to the Allied Health Professional Staff:

- Fisher, Chadwick, PA-C, Orthopedic Surgery OMP Orthopedic Clinic
- Speed, J. Charles, PA-C, Family Medicine OMP Primary Care Clinic

Reappointment to the Active Medical Staff with privileges as requested:

- Crim, Michael, MD, Family Medicine Jamestown Family Practice
- Epler, Michael, MD, Family Medicine OMP Primary Care Clinic
- Larson, Loren, MD, Orthopedic Surgery OMP Orthopedic Clinic
- Lyndes, Harry, MD, Internal Medicine

Information - Resignations:

- Shima, John, MD Effective 6/20/14

MOTION: To approve the April 2014 medical staff recommendations as presented.
Motion carried unanimously.

Revision to the Physician Assistant Privilege Form

Approval was requested pertaining to the supervision language to ensure compliance with State regulations.

MOTION: Approve revisions to Physician Assistant privilege form as presented.
Motion carried unanimously.

QUALITY REPORT

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

The quarterly report of the EQC Safety Subcommittee was presented including critical values and timeliness of physician notification for test results that need to be transmitted within 30 minutes for inpatient, and 60 minutes for outpatient, hand hygiene monthly audits for February, March and April were at 100% except for 2 departments, reducing harm from inpatient falls and safety rounding. He announced measles immunity is not as high as it used to be, and with Seattle being an international hub, particular work is being done to keep the work force intact. The employee health department has checked all employee files and determined 98.3% are immunized against measles. The process has begun to ensure 100% vaccination rate with the medical staff as well.

OLD BUSINESS

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

Approval was requested for the agreement with Emily Glassock, ARNP, who would join the endocrinology program with Dr. Bruce Williams.

MOTION: To approve the standard Olympic Medical Physicians Advance Practice Clinician Employment Agreement with Emily Glassock, ARNP, at the annual salary of EIGHTY FIVE THOUSAND DOLLARS (\$85,000) as presented.

Discussion: The addition of Ms. Glassock to the program would ensure continuity for patients when Dr. Williams was not available.

Commissioner Cammack abstained from the vote. ***Motion carried.***

Award the Bid for the Emergency Department Expansion Project – Eric Lewis, chief executive officer

The public bidding process for the emergency department expansion project resulted in two bids being received that came in greater than the board designated not to exceed amount of \$1.7 million dollars. Mr. Lewis requested to rebid the project as soon as practical, with some value engineering and simplification to save money. It was noted no local contractors bid on the project as construction companies are busy because of low interest rates.

MOTION: To reject the two bids received for the Emergency Department Expansion Project as they exceeded the board designated not-to-exceed construction cost of \$1.7 million dollars, and to authorize the project to be re-bid at the construction cost not-to-exceed \$1.9 million as presented. ***Motion carried unanimously.***

ADMINISTRATOR'S REPORT – Eric Lewis, chief executive officer

2014-2016 Strategic Plan Update

The status of the goals for 2014-2016 was presented. Fifteen goals were on target or progress has been made, five goals were in process, and five goals were behind target. See attached presentation slides.

Advocacy Update

Mr. Lewis spoke of the AHA Annual Meeting attended by himself and Board President Jim Leskinovitch. He spoke about two main issues regarding Medicare Reimbursement as physician reimbursement, and site neutral reimbursement. He also talked about regulatory relief concerning RACs and the two midnight rule.

Use of 2013 Debt Funds

Proposed uses of the debt funds were presented to include paying the current year principal debt payment and renovating the hospital inpatient units and other ancillary buildings. Further discussion will occur at a future meeting for consideration.

NEW BUSINESS

CEO Evaluation Process – Jim Leskinovitch, board president

Evaluation forms were distributed to the medical staff and are due by May 30. The results will be distributed with evaluation forms to the board for completion, and discussion will occur in executive session on June 16, 2014.

Physician Employment Agreements – Rebecca Corley, MD, OMP chief physician officer

Approval was requested for the standard physician employment agreements for Drs. Eric Waddington and Pallavi Sindhu, a married couple, who would join the family practice clinic in Sequim. Senior family practice physicians will rotate between the Sequim and Port Angeles clinics to get the clinic established, and the two new doctors will rotate to Port Angeles one day a week to get oriented. Both standard agreements included WRVU incentive, \$4,000 annual CME stipend, up to \$10,000 moving expenses, a \$12,000 housing stipend, a \$25,000 signing bonus, and \$10,000 retention after 4 years.

MOTION: To approve the standard Olympic Medical Physicians Physician Employment Agreement with Eric Waddington, MD, at the annual salary for the first year of TWO HUNDRED FIVE THOUSAND TWENTY FOUR DOLLARS (\$205,024) (MGMA 50th percentile), reduced the second year to the base salary of ONE HUNDRED SIXTY EIGHT THOUSAND SIX HUNDRED TWELVE DOLLARS (\$168,612) (MGMA 25th percentile) as presented.

Discussion: The family practice norm is 50th percentile due to huge shortages of family practice physicians, and the first year productivity is usually slow. ***Motion carried unanimously.***

MOTION: To approve the standard Olympic Medical Physicians Physician Employment Agreement with Pallavi Sindhu, MD, at the annual salary for the first year of TWO HUNDRED FIVE THOUSAND TWENTY FOUR DOLLARS (\$205,024) (MGMA 50th percentile), reduced the second year to the base salary of ONE HUNDRED SIXTY EIGHT THOUSAND SIX HUNDRED TWELVE DOLLARS (\$168,612) (MGMA 25th percentile) as presented. ***Motion carried unanimously.***

Dr. Corley then introduced an agreement for a medical oncologist position for Marion Chariyath, MD. A verbal approval has been received, and she would join the cancer center in 3-4 months after approval. It will be brought to the board upon signature for approval.

Electronic Health Record Assistance Policy – Eric Lewis, chief executive officer

In October 2012 a board resolution was passed to provide 80% assistance to private medical staff members who wanted electronic health records. The Exhibit expired December 2013, and CMS issued new regulations moving the deadline to 12/31 2021.

MOTION: To amend Board Resolution 455, Exhibit A, the Electronic Health Record Assistance Program policy, extending the expiration date from December 31, 2013 to December 31, 2021 per Medicare regulations as presented.
Motion carried unanimously.


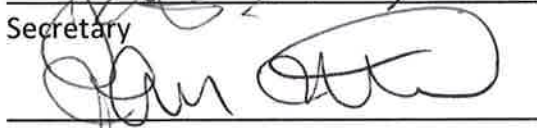
OTHER


It was announced the June 4, 2014 board meeting would likely be cancelled.

The meeting was adjourned at 7:25 pm, and an executive session was called to discuss personnel matters for 10 minutes pursuant to RCW 42.30.110(1)(f) with no action to follow. At 7:35 pm the executive session concluded and the meeting moved back to public session and finally adjourned.

APPROVED AND ADOPTED this 18th day of June, 2014.

ATTEST:


Secretary

Commissioner


Commissioner


President

Commissioner

Commissioner

Commissioner