



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

At 5:00 pm, Board President Jim Cammack called the special meeting to order in the Wendel Room at Olympic Medical Center. The meeting was immediately moved to executive session by authority of RCW 42.30.140(4)(a) to discuss collective bargaining, RCW 42.30.110(1)(g) to discuss personnel matters, and RCW 42.30.110(1)(i)(ii) to discuss potential litigation.

Present were Commissioners John Beitzel, Arlene Engel, Jean Hordyk, Jim Leskinovitch, John Miles, MD; CEO Eric Lewis; CMO Scott Kennedy, MD; CFO Julie Rukstad; CNO Lorraine Wall, Assistant Administrator Rhonda Curry; Legal Counsel Craig Miller; and Executive Assistant Gay Lynn Iseri. Commissioner Leskinovitch and Nutter were excused.

The executive session concluded at 5:55 pm. At 6:00 pm, the meeting continued in Linkletter Hall, called to order and was opened with the pledge of allegiance. Commissioner Nutter joined the meeting.

CONSENT AGENDA

- a. Minutes for October 19, 2011 and November 2, 2011;
- b. Bad Debt for the Month of October 2011 in the amount of \$422,895;
- c. Vouchers for the Month of October 2011 in the amount of \$5,042,989.95; and
- d. Payroll for the Period of October 2 through November 12, 2011 in the amount of \$3,533,608.67.

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

MEDICAL STAFF REPORT

Chief of Staff Harry Lyndes, MD presented the October 2011 medical staff credentials report for consideration.

MOTION: To approve the medical staff credentials report for October 2011 as presented. *Motion carried unanimously.*

Medical Staff Privilege Form for Plastic Surgery (New)

He then requested approval of the medical staff privilege form for reconstructive surgery at the time of breast cancer reconstructive surgery.

MOTION: To approve the medical staff privilege form for plastic surgery as presented.

Discussion: A general surgeon would proctor this position and Sandra Tatro, MD has been responsible for championing this additional privilege.
Motion carried unanimously.

ARNP/PA Scope of Practice Forms

Dr. Lyndes requested approval of the addition of cardiac stress testing and interpretation to ARNP and PA scope of practice forms to allow them to be present during stress tests instead of a cardiologist for better use of the cardiologist's time.

MOTION: To approve the addition of cardiac stress testing and interpretation to Advanced Registered Nurse Practitioner (ARNP) and Physician Assistant (PA) providers as presented. **Motion carried unanimously.**

QUALITY REPORT

Focus on Safety

Scott Kennedy, MD, chief medical officer, presented the performance indicators from the Executive Quality Council Safety subcommittee and discussed national patient safety goals of do not use abbreviations, labeling specimens in the presence of the patient, and critical values reporting pertaining to physician notification.

PUBLIC COMMENT

Don Sargent, public member and letter carrier for USPS Branch 1906, spoke about perceived understaffing at the hospital, and union negotiations.

OLD BUSINESS

Resolution 447 – Adopting the 2012 Budget

Julie Rukstad, chief financial officer, requested approval of the 2012 budget, noting this budget does not include any of the anticipated State or Federal cuts for 2012, or any layoffs.

MOTION: To approve Resolution 447 – Adopting the 2012 Budget as presented.

Discussion: The capital and operating budgets will likely change when State and Federal cuts are formally announced for 2012. Over the next 60 days, we could have dramatic changes, and a plan that will last through 2012 will be developed. Due to regulation, the budget needed to be adopted before the tax levy was set for 2012. **Motion carried unanimously.**

Resolution 448 – Increasing the 2012 Tax Levy by 1%

Julie Rukstad, chief financial officer, requested approval of the resolution raising the 2012 tax levy by 1% of the previous year for a total of \$37, 042 more than 2011.

MOTION: To approve Resolution 448 – Increasing the 2012 Tax Levy by 1% as presented.

Discussion: This one percent increase will be used to take care of uninsured patients. ***Motion carried unanimously.***

2012-2014 Strategic Plan

Rhonda Curry, assistant administrator strategic development, requested approval of the Strategic Plan noting a goal forming an Accountable Care Organization under Community Relations which was the only material change from the last draft distributed at the last public meeting.

MOTION: To approve the 2012-2014 Strategic Plan as presented. ***Motion carried unanimously.***

ADMINISTRATOR'S REPORT

Advocacy and Operations Update

Eric Lewis, chief executive officer, spoke about advocacy efforts at the State and Federal levels. At the State level, \$2 billion in cuts are currently being proposed which would mean \$3 million out of OMC's annual budget with the elimination of the Basic Health Plan and Disability Lifeline programs. Visits to the delegation in Olympia are being planned for early December to continue to advocate for health care funding. The Certified Public Expenditure program is still in jeopardy and would be just as disastrous. At the Federal level, Medicare is proposing a 27% cut around physician reimbursement effective 1/1/12; the Outpatient Medicare hold harmless expires at end of 2011, and the Deficit Committee is talking about huge Medicare cuts.

The operating budget will have to be changed once these cuts are known. OMC is anticipating between \$1-5 million in cuts for 2012, and planning is underway to respond to these cuts. The capital budget will be re-examined, and the operating budget will have to change to spend less on operations. More will be known in early January at the Federal level. The State could take longer to finalize with the potential of a revenue package going to the voters in February or March.

Swedish Affiliation

The first meeting with the Swedish Health Network will be held on December 6, 2011 and discussion will begin on the 2012 work plan with Jefferson Healthcare and OMC. Forks has not approved the affiliation agreement as of yet.

Meditech to the Cloud

A recent forty-four hour computer down time was very challenging for everyone at OMC. Moving storage to the cloud will stabilize our multiple servers and provide more redundancy by moving to offsite storage. The vendor of choice at this point is Dell. More information will be presented at a future meeting.

PUBLIC COMMENT

Tim Kelly, president IBEW Local Union 997, spoke in support of the nurses and union negotiations.

NEW BUSINESS

CCU Nurse Call System

Lorraine Wall, chief nursing officer, requested approval of the call system purchase for the CCU. The current system was installed approximately twenty-five years ago. Wiring for this project will be done with next project, saving \$100,000 if acted upon now. This will enable communication between patient rooms and nursing stations.

MOTION: To approve the purchase of the nursing call system from Electrocom at the total cost of ONE HUNDRED FORTY THREE THOUSAND SEVEN HUNDRED NINE DOLLARS AND EIGHTY THREE CENTS (\$143,709.83) including sales tax as presented.

Discussion: This is a 2011 budgeted item, and the timeline for installation is first quarter 2012. If ordered now, design will be finalized and installation will occur in March 2012. ***Motion carried unanimously.***

Orthopedic Surgery Equipment

Dr. Kennedy introduced the Stryker power system and other equipment that will enhance the orthopedic surgery equipment as planned. This 2012 budgeted item costing \$160,000 plus tax, needs to be purchased this month for early 2012 implementation. A new line in the operating room will begin in early January in addition to the four current lines. Approval of this equipment will be sought at the next meeting.

Meditech Hardware and Back-up System – Julie Rukstad, chief financial officer

Ms Rukstad introduced Sean Johnson, IT manager, who requested approval for the Dell agreement for offsite server and storage services.

MOTION: To authorize the CEO to enter into a five-year agreement with Dell for server and storage services at the cost of SEVEN THOUSAND SEVEN HUNDRED TWENTY TWO DOLLARS AND EIGHTY CENTS (\$7,722.80) per month until moving to the Epic System, when the cost will be

FIVE THOUSAND SEVEN HUNDRED SIXTY SIX DOLLARS AND EIGHTY CENTS (\$5,766.80) per month, plus a FIFTEEN THOUSAND DOLLAR (\$15,000) start up fee as presented.

Discussion: The current IBM maintenance agreement would be cancelled, and the present servers would be surplus. The cloud would provide two redundant paths off the peninsula, which Meditech recommends, and would be finalized within next the 30 days. This purchase was reviewed and recommended by the Board Budget, Audit and Compliance committee for reliability and patient safety. **Motion carried unanimously.**

Surplus Property

Ms. Rukstad requested property be surplus and noted it is obsolete and will be scrapped or traded in.

MOTION: To declare the equipment listed on pages 47-53 of the board package as surplus as presented. **Motion carried unanimously.**

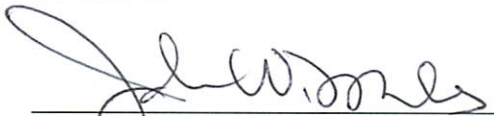
OTHER

The proclamation recognizing OMC for employing individuals with developmental disabilities was noted in the packet.

There being no further business the meeting finally adjourned at 7:28 pm.

APPROVED AND ADOPTED this 21st day of December, 2011.

ATTEST:



Secretary



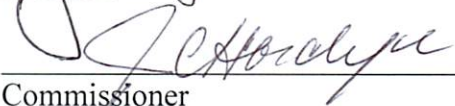
Commissioner



Commissioner



President



Commissioner



Commissioner

Commissioner