



**Board of Commissioners
Business Meeting Minutes
Linkletter Hall
November 20, 2013
6:00 pm**

The regular meeting of the Board of Commissioners was called to order by Board President John Beitzel and was opened with the pledge of allegiance. Also in attendance were Commissioners Jim Cammack, Jean Hordyk, Jim Leskinovitch, John Miles, MD, John Nutter, and Tom Oblak; CEO Eric Lewis, CMO Scott Kennedy, MD, CNO Lorraine Wall, CFO Julie Rukstad, CPO Rebecca Corley, MD, Risk Manager Donna Davison, Epic Physician Champion Mark Fischer, MD, Compliance Officer Mic Sager, Legal Counsel Craig Miller, staff, public participants and Executive Assistant Gay Lynn Iseri.

CONSENT AGENDA

- A. Minutes from September 18, October 2, October 16, and November 6, 2013;
- B. Bad Debt for September 2013 in the amount of \$303,935.50;
- C. Bad Debt for October 2013 in the amount of \$278,706.22;
- D. Vouchers for September 2013 in the amount of \$6,407,008.34;
- E. Vouchers for October 2013 in the amount of \$6,708,893.22;
- F. Payroll for the period of September 1 through November 9, 2013 in the amount of \$9,183,518.87.

MOTION: To approve the Consent Agenda as presented. *Motion carried unanimously.*

MEDICAL STAFF REPORT

None.

QUALITY REPORT

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

The quarterly report of the Executive Quality Council focus on safety was pertaining to fall prevention, transfusion safety and caring for psychiatric patients. See attached presentation.

FINANCIAL UPDATE

Third Quarter 2013 Financial Report – Julie Rukstad, chief financial officer

Ms. Rukstad presented third quarter statistics, year to date statistics, third quarter operating results, year to date operating results, year to date payor mix, district total margin, and district operating margin. See attached. Discussion ensued regarding the need for inpatient psychiatric beds, and the increased number of patients with mental conditions and no where to send them.

COMPLIANCE UPDATE – Mic Sager, compliance officer

Mr. Sager discussed regulatory enforcement from many government agencies on how OMC does business. He noted three areas of oversight responsibility at OMC as the HIPAA privacy officer, HIPAA security officer, and compliance officer at OMC. In an effort to keep the board informed of current activities, those members of the Security, Privacy and Compliance Committee will report monthly to the Board Audit, Budget and Compliance Committee and quarterly to Board Meetings. The initial goals of the meeting were to coordinate and integrate activities, perform a technical security assessment, review the 2014 OIG work plan, review policies and promote communication with OMP clinic managers.

PUBLIC COMMENT (sign in sheet at front table)

Public member Krys Gordon inquired about post surgical care for patients.

OLD BUSINESS

2014-2016 Strategic Plan – Eric Lewis, chief executive officer

One new goal was added since the last draft was presented on November 4, and that was to add the word 'privacy' to the name of the Security, Privacy and Compliance Committee on page 10, goal #4. A total of twenty-five goals will help OMC achieve its mission and be successful in the future. The letter to the community from the Board was a new addition to communicate the thought behind the Plan.

MOTION: To approve the 2014-2016 Strategic Plan as presented. ***Motion carried unanimously.***

Resolution 469 – Adopting the 2014 Budget – Julie Rukstad, chief financial officer

Ms. Rukstad requested approval of the resolution to adopt the 2014 Budget.

MOTION: To approve Resolution 469 – Adopting the 2014 Budget as presented. ***Motion carried unanimously.***

Resolution 470 – Increasing the Tax Levy 1% - Julie Rukstad, chief financial officer

She then requested approval of the resolution increasing the district's regular tax levy by 1% above the district's prior year's levy amount except for any increases that would occur from new construction, increases in state valued properties and refunds.

MOTION: To approve Resolution 470 – Increasing the Tax Levy by 1% as presented.

Discussion: Commissioner Nutter announced OMC is appreciative of the assistance it gets from the community. A one percent is not huge, but will help cover uncompensated care for community. **Motion carried unanimously.**

Routine Contracts Included In 2014 Operating Budget - Julie Rukstad, chief financial officer
Contracts within the operating budget were noted for approval (attached).

MOTION: To approve the list of routine contracts included in the 2014 operating budget listed on pages 31-32 of the board packet as presented.

Discussion: A question about materials management vendor was discussed. Support to the Dungeness Valley Health and Wellness Clinic and Volunteers in Medicine of the Olympics remains the same as last year. **Motion carried unanimously.**

Resolution 471 - Key Bank \$20 Million Loan – Julie Rukstad, chief financial officer

Ms. Rukstad requested approval of the resolution relating to contracting indebtedness; providing for the issuance, sale and delivery of \$20,000,000 aggregate principal amount of limited tax general obligation bond to provide funds to expand, make improvements to, and equip the district's health care facilities, refund a portion of the district's outstanding limited tax general obligation bonds and pay the costs of issuance and sale of the bond; fixing certain terms and covenants of the bond; and providing for other related matters.

MOTION: To approve Resolution 471 – Authorizing the issuance of a \$20 million limited tax general obligation bond debt from Key Bank at the rate of 3.69% as presented.

Discussion: Other debt to Key Bank which is at a higher rate will be paid with this new loan. **Motion carried unanimously.**

X-Ray Wireless Cassette Technology – Scott Kennedy, MD, chief medical officer

As introduced at the last meeting, and reviewed by the Board Audit, Budget and Compliance Committee, Dr. Kennedy asked for approval of the wireless cassettes for the Ortho Clinics in both Port Angeles and Sequim to improve work flow, reduce radiation and improve the image quality. One of the old systems would be moved to the 8th Street Primary Care Clinic as back up.

MOTION: To approve the purchase of two wireless cassettes from CMX Medical Imaging at the cost of ONE HUNDRED THIRTY-FOUR THOUSAND THREE HUNDRED SIXTY-EIGHT DOLLARS (\$134,368), plus tax and a four-year service contract at the annual cost of EIGHT THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$8,750) following the first year included warranty as presented. **Motion carried unanimously.**

Organizational Chart Revisions – Eric Lewis, chief executive officer

As introduced two weeks prior, the revised organizational chart was presented for approval.

MOTION: To approve the revised Organizational Chart as presented. **Motion carried unanimously.**

ADMINISTRATOR'S REPORT – Eric Lewis, chief executive officer

Legislative Advocacy Letters

Mr. Lewis announced the very active Board Advocacy Committee will be sending letters to elected officials in Washington DC to stop further cuts to Medicare. OMC has already taken significant cuts from Medicare who only reimburses 83% of the cost of care. After Board approval of these letters, the goal is to send a thousand letters from community leaders in the next two weeks stating further cuts would be detrimental to OMC.

MOTION: To approve the advocacy letters for our Federal elected officials as presented. **Motion carried unanimously.**

Olympic Medical Home Health Top 500 HomeCare Elite Award

Mr. Lewis noted once again, that Olympic Medical Home Health is noted in the top 500, out of 10,000 home health agencies in America, according to HomeCare Elite.

NEW BUSINESS

Family Medicine of Port Angeles Recruitment Agreement – Eric Lewis, chief executive officer

Family Medicine of Port Angeles recently requested assistance to help recruit two more primary care physicians. OMC would provide an income subsidy and marginal costs. It would be a one year subsidy period, with an option for two years, and a two year forgiveness period. The

physicians would accept charity care in proportion with other providers in clinics. The agreement would be Medicare compliant and historically a highly successful way to recruit providers to the community. The agreements will be presented in the future for consideration.

Joint Commission vs. DNV Accreditation – Scott Kennedy, MD, chief medical officer

Dr. Kennedy spoke about the changing landscape regarding accreditation services. He compared the current accreditation system under Joint Commission to DNV and announced a multidisciplinary task force was formed to evaluate a potential switch to DNV. More information and a recommendation will come to the board for consideration at a future meeting. See attached presentation.

Physician Employment and Advanced Practice Clinician Agreements – Rebecca Corley, MD, chief physician officer

Approval of the standard OMP APC agreement for Kim DePrati, PA-C, was presented for consideration. She would work in the newly planned Sequim Clinic, and is well known in Sequim. Due to her years of experience, her base salary will start at \$90,000, and reduced to \$85,000 for the second year with incentive WRVU above the 25th percentile.

MOTION: To approve the standard OMP Advanced Practice Clinician employment agreement for Kim DePrati, PA-C, at NINETY THOUSAND DOLLARS (\$90,000) for the first year plus the standard OMP benefits as presented. ***Motion carried unanimously.***

Approval of the standard OMP APC agreement for Deborah Jones, ARNP, was presented for consideration. She would work in the Port Angeles Primary Care Clinic full time and begin in early 2014.

MOTION: To approve the standard OMP Advanced Practice Clinician employment agreement for Deborah Jones, ARNP at EIGHTY FIVE THOUSAND DOLLARS (\$85,000) plus the standard OMP benefits as presented. ***Motion carried unanimously.***

Approval of the standard OMP physician employment agreement for John Yergan, MD, was presented for consideration. He would work part-time at the Sequim Walk-in clinic in Sequim, and is well known in the community. He would begin work in February 2014.

MOTION: To approve the OMP Physician employment agreement for John Yergan, MD, at the rate of \$1,000/day/10 hour shift, plus the standard OMP benefits as presented. ***Motion carried unanimously.***

There being no further business the meeting was finally adjourned at 7:49 pm

APPROVED AND ADOPTED this 18th day of December 2013.

ATTEST:



Secretary

Commissioner

Commissioner



President

Commissioner



Commissioner



Commissioner