



**Board of Commissioners  
Meeting Minutes  
Linkletter Hall  
October 5, 2011**

The meeting was called to order at 6:00 p.m. by Board President Jim Cammack in Linkletter Hall and was opened with the pledge of allegiance. Present were Commissioners John Beitzel, Arlene Engel, Jean Hordyk, Jim Leskinovitch, John Miles, MD, and John Nutter; Chief Executive Officer Eric Lewis; Chief Financial Officer Julie Rukstad; Assistant Administrator Rhonda Curry; public participants and Executive Assistant Gay Lynn Iseri.

Commissioner Cammack announced an executive session will immediately follow the meeting to discuss collective bargaining for no more than thirty minutes with no formal action to follow.

**COMMUNITY FORUM ON 2012-2014 STRATEGIC PLAN - *Rhonda Curry, Assistant Administrator Strategic Development***

Ms. Curry introduced the 2011-2013 Strategic Plan and reviewed the twenty-nine existing goals included within the plan. She summarized priorities, significant issues, the eight strategies for financial viability, and the timeline for the 2012-2014 strategic planning process. She summarized the twenty-nine goals in the current Plan noting nineteen are on target, seven in process, and three goals are behind target. Financial goals will need to be adjusted due to the proposed reimbursement cuts, specifically at the State level and subsequent anticipated increases in charity care. Next steps are to focus on revenue growth, and expanding access to local services. See attached presentation.

Board president Jim Cammack asked for public input regarding the Plan as presented.

- Public member Penney Sanders Thiemann inquired about the current pressing fiscal issues.

Commissioner Leskinovitch stressed necessary changes need to occur at the State and Federal level and will do so only with increased political activity and advocacy which continues to be a prominent goal in this year's strategic plan.

Commissioner Miles hoped the hospital didn't have to close before the issues of decreasing reimbursements and increasing regulations came to the attention of politicians. The community should speak up and advocate now. Commissioner Cammack shared that the concern of physicians is for recruiting primary care providers to the community.

**Compliance Update – *Mic Sager, Compliance Officer***

Mr. Sager announced that as of October 1, 2011, DSHS patients will be limited to three non-emergent visits to the emergency room per year. The Washington State Legislature has determined those diagnoses that do not meet standards for non-emergent needs. Not only are they cutting our reimbursement by not paying for more than three non-emergent visits in any emergency department, they have also added costs. The State has transferred their budget burdens to the public hospital districts.

**Swedish Medical Center Affiliation Agreement – *Eric Lewis, Chief Executive Officer***

Mr. Lewis presented the proposed affiliation agreement that will be presented to the board on October 19 for formal consideration. This affiliation would be first of its kind in the state and one of very few nationally. Olympic Medical Center would be the first member of this affiliation hopefully commencing November 1, 2011. Jefferson Healthcare would consider joining in November, and following that Forks General Hospital later this year or next. The appropriate accreditation and licensing is mandatory, must take Medicare, Medicaid and Tricare, with the ability to take care of the insured and uninsured. Network activities will occur and other benefits include an annual work plan with very specific goals, treatment and transfer protocols, access to their buying group to save money, onsite consulting services, advocacy efforts, management education and training, annual leadership symposium, quality improvement activities and benchmarking, education and CME opportunities. Term of the agreement is 20 years with termination after 2 years without cause. Any change in law and corporate compliance will force a change. See attached presentation.

Primary focus for 2012 include Epic EMR replacing Meditech and Centricity, taking advantage of the buying group to decrease cost of medical and surgical supplies by approximately 12%, increasing clinical services with neurology, sleep, and cardiology, and time spent forming the Swedish Health Network.

Input and support through community forums, medical staff, employees and OMP PC has been very positive and this affiliation will enable Olympic Medical Center to stay independent while receiving benefits from a system. Board president Jim Cammack and other members of the board commended Mr. Lewis for his work on the proposed affiliation.

**Advocacy Update – *Eric Lewis, Chief Executive Officer***

Mr. Lewis summarized the annual Rural Advocacy Days trip to Washington, DC with Commissioner Jim Leskinovitch to meet with legislators in September. Meetings occurred with legislators and their healthcare aides. Newly proposed cuts were released at the State level for a total of almost \$5 million annually starting in 2012. More meetings with elected officials will occur to talk about these State cuts in hopes they do not happen. Physician recruitment is underway to ensure more local services are available. See attached presentation.

**Construction – Eric Lewis, Chief Executive Officer**

Mr. Lewis explained the need for more physician office space in Port Angeles and the completion of the Sequim Medical Services building. Bids from using the small works roster were presented to approve the upgrade of the heating and cooling systems at the 8<sup>th</sup> and Cherry building in Port Angeles that was purchased from Family Medicine of Port Angeles. See attached presentation.

**MOTION:** To authorize the CEO to accept the bids to upgrade the building located at 303 W. 8<sup>th</sup> Street, Port Angeles as presented.

**Discussion:** This is a budgeted item, long overdue, and will allow for the expansion of primary care clinic space. Some of the work will be done in-house by hospital staff to cut costs and the goal is to finish by end of December 2011. **Motion carried unanimously.**

As the Medical Services building in Sequim was finished in 2007, unfinished space needs to be completed in the OMP Specialty Clinic, Cardiology Clinic, and Suite 2200. The goal would be to put two neurologists and more subspecialists in and possibly lease the other suite. If approved, bids would be back in November, and the board would then have the option to accept a bid.

**MOTION:** To authorize the CEO to publically bid the tenant improvement project for the three undeveloped physician suites at the Sequim Medical Services Building, not to exceed \$985,000 plus sales tax as presented.

**Discussion:** Commissioner Nutter tied this action to the Strategic Plan and eight strategies for financial viability to provide adequate primary care and specialists in the community. **Motion carried unanimously.**

**Proposed Redistricting Plan – Craig Miller, Legal Counsel**

An ad hoc committee of the board was appointed to discuss the proposed changes to the District as a result of the latest census in 2010 in accordance with compliance obligation to maintain equal populations between districts. Commissioners Hordyk, Beitzel, and Nutter reviewed the proposal and agreed to same recommendations that presented at the last meeting. Two precincts, Port Angeles 8 and Mt. Angeles, would move from District 2 to District 3. Four precincts, Coyote, Lost Mountain, MacLeay and Riverside, would move from District 1 to District 2.

**MOTION:** To accept the proposed recommendation by the Board *ad hoc* redistricting committee and legal counsel for the redistricting of the three commissioner districts of the hospital district; to set a public hearing on this recommendation for October 19, 2011 at 6:00 P.M. in Linkletter Hall, 939 Caroline Street, Port Angeles, WA 98362; and to direct the clerk of the board to provide necessary legal notice of this public hearing. **Motion carried unanimously.**


A formal resolution noting these precinct changes will be presented for approval by the end of the year effective 2012.

The meeting concluded at 7:30 pm, and after a ten minute break, was moved to executive session to discuss collective bargaining by authority of RCW 42.30.140(4)(a) with no action to follow.


At 8:10 pm the meeting was moved back to open session, and there being no further business, the meeting was finally adjourned.

**APPROVED AND ADOPTED** this 19th day of October 2011.

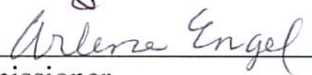
**ATTEST:**

  
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