



**Board of Commissioners
Work Session Minutes
February 5, 2020**

The regular meeting of the Board of Commissioners of Olympic Medical Center was called to order at 12:30 pm by Board President Jim Leskinovitch in Linkletter Hall and was opened with the pledge of allegiance. Also in attendance were Commissioners Ann Marie Henninger (via telephone), Thom Hightower, Jean Hordyk, John Miles, MD, John Nutter, and Tom Oblak; Chief Executive Officer Eric Lewis, Chief Operating Officer/Chief Financial Officer Darryl Wolfe; Chief Medical Officer/Safety Officer Scott Kennedy, MD; Chief Nursing Officer Ralph Parker, MSN, RN; Olympic Medical Physicians Chief Physician Officer Joshua Jones, MD; Chief Human Resources Officer/General Counsel Jennifer Burkhardt; Risk and Compliance Officer Donna Davison; staff; public participants, and Executive Assistant Gay Lynn Iseri.

Five-Star Hospital Announcement – Eric Lewis, Chief Executive Officer

Olympic Medical Center recently received a five-star designation from the Centers for Medicare and Medicaid Services (CMS). The ratings allow consumers to view quality data for more than 4,000 Medicare-certified hospitals across the nation, and only 407 or 8.87% of these hospitals received a five-star rating this year. This Hospital Compare provides a performance update that includes seven group measures of mortality, safety, readmissions, patient experience, effectiveness of care, timeliness of care and efficient use of medical imaging.

Employee Recognition – Scott Kennedy, MD, Chief Medical/Safety Officer

Employees who were trained as internal auditors were recognized for building a strong internal audit program. They participated in a multi-day training program with DNV to grow their skills, and have completed more than 25 internal audits since 2016. Those recognized were Carol Kittrick, Samantha Reynolds, Michelle Samples, Brenda Tassie, Sandy Ulf, Paula Wahl, and Holly Wickersham

Quality Report: Readmissions – Scott Kennedy, MD, Chief Medical / Safety Officer

Readmissions are defined as unplanned admissions to any facility within 30 days of discharge. Medicare's hospital readmission program is a penalty program to incentivize hospitals to reduce their readmission rate by reducing payments up to 3% for hospitals with an excess of readmissions for patients who are initially admitted under AMI, COPD, heart failure, pneumonia, and elective primary total hip arthroplasty and or total knee arthroplasty. At the national level, the best state in the nation is Hawaii at 12.2%, OMC is at 12.1%. OMC's three top indicators for readmission are AMI, hypertension, and cardiac dysrhythmias. The Washington State Hospital Association has approached OMC to participate in an initiative to coordinate sharing information with other facilities.

OMC Foundation Donation – Bruce Skinner, OMC Foundation Executive Director

Mary Hebert, Foundation President, presented to the Board another \$141,504 dollars donated. Recently, \$60,000 had been donated to the Heart Center for a cardiac stress test treadmill, and the remainder of \$81,504 will go to the Cancer Center for the purchase of a destabilization system for Radiation Oncology, and a 3-dimensional printer will eliminate outsourcing at the cost of \$1,000 per use. Executive Director Bruce Skinner noted the Foundation has given \$752,101 to or on behalf of OMC during the last year.

Public Comment

Public member Vi Creelman, Clallam County, spoke about the CEO succession plan and future of OMC following the announcement of Eric Lewis' retirement as OMC CEO effective May 1, 2020.

Seattle Cancer Care Alliance (SCCA) Agreement – Joshua Jones, MD, OMP Chief Physician Officer

The five-year agreement with the Seattle Cancer Care Alliance was introduced. SCCA is a not for profit cancer treatment and research center that partners with Fred Hutchinson Cancer Research Center, Seattle Children's and UW Medicine. OMC was the first affiliate to join the SCCA network to connect community-based cancer centers with the latest cancer research and treatment options in 2003. The affiliation agreement will continue to provide the cancer center with access to support, education and research opportunities. The five-year extension will cost \$89,000 annually from 2020 through 2024. Board approval will be sought at the next meeting.

Sequim Land Purchase – Eric Lewis, Chief Executive Officer

Contiguous property to the Sequim Campus that connects to the helipad and Jamestown Clinic became available for purchase. The negotiated price of \$640,000 for 3.9 acres fit within the appraised fair market value of between \$600,000 - \$680,000. It was determined to be a good addition for the Sequim campus expansion and approval of the purchase was requested.

MOTION: To approve Resolution 524 to authorize Eric Lewis, Administrator/CEO to purchase the vacant land for SIX HUNDRED FORTY THOUSAND DOLLARS (\$640,000) at the intersection of North 5th Avenue and West Hendrickson Road, Parcel #0330184391100000, Sequim, WA, and to authorize the CEO/Administrator to sign all related documents as presented. **Motion carried unanimously.**

2018 State Audit Results – Eric Lewis, Chief Executive Officer

OMC had another successful, clean audit with no findings. The Auditors focused on compliance with applicable requirements and safeguarding of public resources for areas that were examined. They focused on payroll, accounts payable, cash receipting, procurement, and self-insurance for unemployment compensation. This was the 20th straight year with no findings which reflects well on personnel. One of OMC's seven values is integrity which shows a positive culture. OMC also works with State auditors on a proactive basis to ensure things are done appropriately.

Operations and Advocacy Update – Eric Lewis, Chief Executive Officer

The hospital was busy with a census of 65 in mid-January, and a snowstorm. An internal triage was called to manage rooms, and employees did a great job. The Moss Adams financial statement audit is wrapping up, with the report-out scheduled for the next board meeting. The annual DNV survey for Medicare conditions of participation should occur soon for the reaccreditation of ISO 9001 standards. The new multi-procedure room in Diagnostic Imaging is up and running, and a tour will be scheduled at some point.

Construction projects are wrapping up from 2019. The new cancer space is done for radiation oncology, and the old space for medical oncology will be next for completion in March. We hope to have an open house in April. The central sterile project in the basement should be complete in July 2020. Planning for projects in 2020 include repurposing the old surgery clinic building back into a clinical area possibly for a wound clinic that would hopefully be hospital-based space. The short stay unit will be remodeled to increase endo rooms from 2 to 3 rooms, and expand the waiting and infusion space. The third project is to expand Sequim primary care by adding four exam rooms.

Hospital Advocacy Days in Olympia were well attended by OMC. Key issues were difficult to discharge patients, prior authorizations to have one set of evidence-based standards for all across the state, a rural hospital package regarding substitute providers, and behavioral health for Medicaid patients who currently have no coverage.

At the Federal level, a new lawsuit against CMS has been filed regarding site neutral payments. The affidavit has been completed, and OMC has asked for summary judgement. Last year, the judge ruled in September, hopefully there will be a quicker summary judgement this year with claims being paid at 60% less today. CMS has started to reprocess claims from last year. Another CMS proposal is the Medicaid Financial Accountability Rule. CMS is proposing reductions that could total \$30-40 billion in reimbursement. Washington State is not being targeted right now, but this could be a potential change to how states fund Medicaid. The Medicaid Disproportionate Share cuts were deferred to May 22, 2020. OMC is advocating to delay these cuts through 2020 and 2021.

Board Human Resources Committee Report – Tom Oblak, Chair HR Committee

Commissioner Oblak noted it is the intent of the Board to provide the opportunity for internal and external candidates for the position of Chief Executive Officer. This process has worked well in the past. The committee deferred the final report to the next meeting on February 19, 2020.

Executive Session

At 1:35 pm, the open meeting concluded and the meeting was moved to executive session for 45 minutes to discuss the performance of a public employee per RCW 42.30.110(1)(g), the qualifications of an applicant for public employment per RCW 42.30.110.(1)(h), and to discuss the sale, purchase or lease of real estate per RCW 42.30.110(1)(b) for 45 minutes with no action to follow.

At 2:20 pm, the executive session was extended another 5 minutes, and at 2:25 pm, the meeting moved back to open session.

Discussion ensued about the current employment agreement with the chief executive officer as the increase in salary was deferred in October 2019. It was recommended to increase the salary of the chief executive officer by 3% in accordance with the non-union employee pay raise cycle. Board President Leskinovitch asked that a board resolution be prepared for consideration at the next meeting increasing the salary of the chief executive officer by 3%.


There being no further business, the meeting was finally adjourned at 2:25 pm.

APPROVED AND ADOPTED this 19th day of February, 2020.

ATTEST:




Secretary




Commissioner



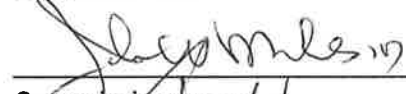
Commissioner



President



Commissioner



Commissioner



Commissioner