



**Board of Commissioners
Business Meeting Minutes
Linkletter Hall
April 20, 2016**

The regular meeting of the Board of Commissioners was called to order by Board President John Nutter in Linkletter Hall and was opened with the pledge of allegiance at 6:00 pm. Also in attendance were Commissioners Jim Cammack, Jim Leskinovitch, John Miles, MD, Tom Oblak; CEO Eric Lewis; CMO Scott Kennedy, MD; CNO Lorraine Wall, RN, MSN, General Counsel Jennifer Burkhardt, Administrative Director Risk Management Donna Davison; Darryl Wolfe, Director of Administration; Marketing Manager Jeff Anderson; staff; public participants and Executive Assistant Gay Lynn Iseri. Commissioners John Beitzel and Jean Hordyk were excused.

CONSENT AGENDA

- A. Minutes for March 16, 2016 and April 6, 2016;
- B. Bad Debt for March 2016 in the amount of \$112,056.03;
- C. Vouchers for March 2016 in the amount of \$9,557,011.66;
- D. Payroll for the period of February 28 through April 9, 2016 in the amount of \$5,932,520.95;

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

MEDICAL STAFF REPORT – Harry Lyndes, III, MD, Chief of Staff

The March 2016 Medical Staff Credentials Report was presented for approval:

MEDICAL STAFF

Reappointment to the AHP Staff:

- | | |
|-------------------------|---|
| 1. Shields, Cheri, CNM | OB/Gyn – OMP Women’s Clinic |
| 2. Walker, Connie, PA-C | Family Medicine – OMP Primary Care Clinic |

Appointment to the Active Medical Staff:

- | | |
|-------------------------|--------------------|
| 1. Finkelstein, Eli, MD | Radiation Oncology |
|-------------------------|--------------------|

Reappointment to the Active Medical Staff:

- | | |
|-------------------------|---|
| 1. Gordon, Lawrence, MD | Family Medicine – OMP Primary Care Clinic |
| 2. Gutman, Andrew, MD | RADIA – Radiology |

Reappointment to the Active Medical Staff (continued):

- | | |
|-----------------------------|--------------------------------------|
| 3. Heisterkamp, Georgia, MD | General Surgery – OMP Surgery Clinic |
| 4. Russell, B Dale, MD | Urology – OMP Specialty Clinic |
| 5. Schutz, Lusana, MD | Emergency Medicine |
| 6. Sessions, Edward, MD | RADIA – Radiology |
| 7. Wilson, Steve, MD | Family Medicine |

Reappointment to the Courtesy Medical Staff:

- | | |
|--------------------------|--------------------|
| 1. McGovern, Tristan, MD | Orthopedic Surgery |
|--------------------------|--------------------|

Telemedicine Privileges:

- | | |
|--------------------------|----------------------------------|
| 1. Bageac, Alexandru, MD | RADIA – Radiology (initial appt) |
| 2. Johnson, Germaine, MD | RADIA – Radiology |
| 3. Manchanda, Vivek, MD | RADIA - Radiology |
| 4. Stone, Karen, MD | RADIA – Radiology |
| 5. Voria, Pooja, MD | RADIA - Radiology |

Resignation/Contract Terminations:

- | | |
|-----------------------------|-------------------------------------|
| 1. Blankenship, Barbara, MD | RADIA – Effective 2/28/16 |
| 2. Moll, Steven, MD | Family Medicine – Effective 3/31/16 |

MOTION: To approve the March 2016 Medical Staff Credentials Report as presented. **Motion carried unanimously.**

OLYMPIC MEDICAL PHYSICIANS UPDATE

Bladder Health Month – Carleen Bensen, MD, urologist

Dr. Bensen announced she attended the Washington State Medical Association 2016 Legislative Leadership Day on the Hill in Olympia on February 9 to learn about and discuss legislative issues that effect healthcare. Senators Cleveland, Keiser, Becker and Bailey sponsored Senate Resolution 8706, to raise awareness and reduce the stigma surrounding bladder health, and November was named “Bladder Health Month”. This resolution was passed by the Washington State Senate and the Secretary of State, Hunter G. Goodman.

OMP Advance Practice Clinician Employment Agreements – Bill Kintner, MD, OMP Primary Care Medical Director/Physician Council Chair

Approval was requested for the agreement with David Stinard, PA-C, who would join Dr. Webb’s gastroenterology practice as an extender. The agreement includes a \$5,000 sign on bonus, and not to exceed moving allowance up to \$5,000 dollars.

MOTION: To approve the standard OMP Employment Agreement for advanced practice clinician services for clinical medicine with David Stinard, PA-C, at the annual salary of NINETY FIVE THOUSAND DOLLARS (\$95,000) as presented.
Motion carried unanimously.

Approval was requested for the agreement with Angela Cecil, PA-C, who would work in the Port Angeles Walk in Clinic proposed position across the street. The agreement includes a \$5,000 signing bonus, and a not to exceed moving allowance of \$5,000.

MOTION: To approve the standard OMP Employment Agreement for advanced practice clinician services for clinical medicine with Angela Cecil, PA-C, at the annual salary of NINETY FIVE THOUSAND DOLLARS (\$95,000) as presented.
Motion carried unanimously.

FIRST QUARTER FINANCIAL REPORT – Darryl Wolfe, interim chief financial officer

The 2016 first quarter financial report was presented as attached. Statistics indicated a busy first quarter. Operating results were favorable. Expenses, wages and benefits close to budget. Net revenue came in at \$3 million, over budgeted amount of \$1.2 million. OMC is now at 83.2% government payors. District total margin per quarter indicated trending in the right direction. District salaries and benefits came in at 58.4% percent the first quarter, below the 60% as stated in the Strategic Plan. Accounts receivable days came in at 39, with the state average of 54 days. Days cash on hand was stable at 115.

PUBLIC COMMENT

None.

OLD BUSINESS

Bulk Medical Oxygen Agreement – Darryl Wolfe, interim chief financial officer

As previously introduced, and discussed at the Board Audit, Budget and Compliance Committee, this request to help save \$50,000 per year over the next 7 years was presented for consideration.

MOTION: To approve the seven-year agreement with Praxair Healthcare Services, Inc. to provide bulk medical oxygen service at the estimated total cost of ONE HUNDRED FIFTY THOUSAND FIVE HUNDRED TWENTY EIGHT DOLLARS (\$150,528) as presented. **Motion carried unanimously.**

Exterior Hospital Doors Capital Request – Darryl Wolfe, interim chief financial officer

A total of five exterior doors need to be replaced at the hospital, and will be standardized using the same vendor. This purchase was further reviewed at the Board Audit, Budget and Compliance Committee. It was noted the old doors were installed in approximately 1992 and new parts are not made anymore.

MOTION: To approve the purchase of five automatic exterior hospital doors and signage from Western Entrance Technology, LLC at the cost of SIXTY FIVE THOUSAND FIFTY DOLLARS (\$65,050), plus sales tax, as presented.
Motion carried unanimously.

Downtown Clinic Remodel – Darryl Wolfe, interim chief financial officer

Approval to use small works roster to convert OMC's space at the downtown health clinic to physician clinic exam space was requested. Reimbursement for the cost of the project is likely due to a state grant through Swedish for the residency program.

MOTION: To approve the Downtown Clinic Remodel Project, using the small works roster, at the not-to-exceed cost of TWO HUNDRED FORTY FIVE THOUSAND DOLLARS (\$245,000), as presented. ***Motion carried unanimously.***

Blood Bank Automation Capital Request – Scott Kennedy, MD, chief medical officer

As introduced in April, the request for new blood bank automation equipment was presented for consideration. Every medical technologist is trained to work in the blood bank, and this new equipment will improve safety, and is timely with new chemistry and hematology equipment being added.

MOTION: To approve the purchase of the Ortho Vision Analyzer blood bank equipment at the cost of NINETY ONE THOUSAND FIVE HUNDRED DOLLARS (\$91,500), plus sales tax, with a post-warranty service maintenance agreement of TWELVE THOUSAND DOLLARS (\$12,000) per year, and an HCLL Interface by MediWare at the cost of TEN THOUSAND EIGHT HUNDRED SEVENTY FIVE DOLLARS (\$10,875), plus sales tax, as presented. ***Motion carried unanimously.***

ADMINISTRATOR'S REPORT – Eric Lewis, chief executive officer
2016 – 2018 Strategic Plan Update

The Plan was reviewed as attached. A lot of quality management system activity has been underway across the organization to become ISO 9001 certified, and DNV infection prevention and control made a lot of progress. Under community relations, legislative advocacy has gone

well this year; it was a good State legislative session with no further cuts and more mental health funding. A policy issue was passed to eliminate the required not-to-exceed number on construction project bids that will benefit OMC. The recent emergency department remodel had to be rebid costing time and money. Employee engagement and satisfaction has been a focus. Work on facilities continues with the Port Angeles Medical Office Building moving forward, and architect selection underway for the Sequim Expansion. Planning for outpatient surgery in Sequim has changed due to new Medicare rules regarding hospital based locations. It would have to be free standing if built in Sequim. Advocacy efforts are underway to ask for waiver since we were already in the planning stage when this was passed. Coalition work is underway to get sustainable reimbursement. Meaningful use is progressing well. Financial stewardship is on target. Rural health clinic assessment and determination recommendation is to remain with current bed situation to continue to meet community needs.

Operations and Advocacy Update

Provider recruitment continues to go well for physicians and advance practice clinicians.

A letter of support for a grant application was requested by the Port Angeles Boys and Girls Club of Port Angeles. This letter will be brought for consideration and signature. The grant would be used to renovate the current World War II era building that continues to serve the needs of many children for meals and after school care.

A Medicare inpatient increase of .85% for 2017 was announced. Costs for inpatient care are going up faster than Medicare reimbursement. This is still a proposal, but less than 1 percent is not sustainable over time.

NEW BUSINESS

Diagnostic Imaging Equipment Maintenance Agreement – Scott Kennedy, MD, chief medical officer

Approval was requested for the GE diagnostic imaging equipment maintenance agreement from the purchase in late 2015. The first year of service is covered by warranty.

MOTION: To approve the five-year diagnostic imaging equipment maintenance agreement with GE at the total annual cost of THIRTY FIVE THOUSAND TWENTY SIX DOLLARS AND TWENTY ONE CENTS (\$35,026.21), including sales tax, as presented. ***Motion carried unanimously.***

Colonoscopes Capital Request – Scott Kennedy, MD, chief medical officer

The purchase of eight new endoscopes was introduced. The current Olympus scopes are at the end of life. Pricing is being negotiated and the old instruments will be traded in. The purchase is for both upper and lower scopes, and 3 pediatric scopes. The estimated cost is \$241,560 plus tax.

Fluid Management Agreement – Scott Kennedy, MD, chief medical officer

The agreement for fluid management in the operating room was introduced. The system would dispose waste following a procedure. The proposed purchase of \$79,000 would replace current equipment and be safer for staff.

PA Medical Office Building Change Orders – Darryl Wolfe, interim chief financial officer

The series of change orders for the medical office building project were summarized. They were due mainly to poor soil conditions, and violation of the water table due to basement construction. The Board Audit, Budget, and Compliance committee reviewed these costs extensively.

MOTION: To approve the Port Angeles Medical Office Building Project change orders at the total cost of FOUR HUNDRED SIXTY EIGHT THOUSAND NINE HUNDRED TWELVE DOLLARS (\$468,912) as presented. **Motion carried unanimously.**

There being no further business, the meeting finally adjourned at 7:10 pm.


APPROVED AND ADOPTED this 18th day of May, 2016.


ATTEST:



Secretary

Commissioner


Commissioner


President


Commissioner


Commissioner


Commissioner