



**Board of Commissioners
Business Meeting Minutes
Linkletter Hall
February 15, 2017**

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

NEW PROVIDER INTRODUCTION – Joshua Jones, MD, OMP Chief Physician Officer

- A. Rachna Anand, DO, medical oncology
- B. Tamara Montgomery, MSN, NP-C, OCN, medical oncology

CANCER CENTER CAPITAL CAMPAIGN – Bruce Skinner, OMC Foundation Executive Director

Mr. Skinner presented another donation to Olympic Medical Center. The donation included \$29,235 designated for the Cancer Center Expansion Project, and \$19,896 toward the purchase of a fetal heart monitor for the Obstetrics Department. In all, over \$300,000 has been donated toward the Cancer Center Expansion, and \$185,000 was donated to other areas of the hospital. Hospital Foundation President Jim Jones introduced key donors who were in attendance as Todd and Mary Irwin, Dan Wilder, Jr., Bill (Kay) Hermann, Bill (Esther) Littlejohn, and Larry Hueth.

CONSENT AGENDA

- A. Minutes for January 18, 2017 and February 1, 2107;
- B. Bad Debt for January 2017 in the amount of \$319,996.11;
- C. Vouchers for January 2017 in the amount of \$12,099,352.61;
- D. Payroll for the period of January 1 through January 28, 2017 in the amount of \$4,655,352.19;
- E. Surplus Property.

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

2016 AUDITED FINANCIAL STATEMENTS – Mary Wright, Partner, and Eric Nicholson, Partner from Moss Adams, LLP The annual presentation of the 2015 audited financial statements was presented. See attached for detail.

SAFETY UPDATE – Scott Kennedy, MD, Chief Medical Officer

Deferred until March 1, 2017.

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

Approval was requested for the January 2017 Medical Staff Credentials Report as follows:

MEDICAL STAFF

Appointment to the Active Medical Staff:

- | | |
|-------------------------|-----------------------|
| 1. Berretta, Edward, MD | OMP – Family Medicine |
| 2. Berretta, Jeanne, MD | OMP – Family Medicine |

Telemedicine Privileges:

- | | |
|-------------------|------------------|
| 1. Ch'en, Ian, MD | RADIA- Radiology |
|-------------------|------------------|

Privilege Revision:

- | | |
|-----------------------|----------------|
| 2. Speed, Chuck, PA-C | Add Restraints |
|-----------------------|----------------|

Resignation/Contract Termination:

- | | |
|---------------------------|---------------------------------------|
| 1. Barclay, Derek, MD | Emergency Medicine Effective 12/21/16 |
| 2. Kelly, Mary, MD | RADIA – Effective 01/03/17 |
| 3. O’Riordan, Moira, MD | RADIA – Effective 11/01/16 |
| 4. Quraishi, Mohammed, MD | RADIA – Effective 12/30/16 |
| 5. Sperling, Steven, MD | RADIA – Effective 12/30/16 |

MOTION: To approve the January 2017 Medical Staff Credentials Report as presented.
Motion carried unanimously.

OLYMPIC MEDICAL PHYSICIANS UPDATE - Joshua Jones, MD, OMP Chief Physician Officer

Dr. Jones introduced Kara Urnes, MD, Heart Center Medical Director, who presented an update on the OMC Heart Center. The Heart Center is under new leadership and is experiencing steady growth. See attached presentation.

PUBLIC COMMENT

- Laura Dotlich, RN, BSN, OMHH, spoke about parity for home health nursing staff and hospital nursing staff.
- Jackie Wilhelm, RN, OMHH, spoke about training and home health nursing.
- Elena Murphy, RN, BSN, OMHH spoke about future of home health.

OLD BUSINESS

YMCA Lease - Eric Lewis, Chief Executive Officer

The Board approved a lease in October 2016, but the YMCA asked for revised language. The major terms of the lease remain the same, and the start date was moved from November 1, 2016 to March 1, 2017. The YMCA also wants to reset to market rent every five years, and is committed to working together for the health of the community. The Board Audit, Budget and Compliance Committee recommended approving this authorization.

MOTION: To authorize the CEO to sign a revised sublease with the Olympic Peninsula YMCA as previously approved by the Board on October 19, 2016 with revised language and mutually agreeable start date as presented. ***Motion carried unanimously.***

Organization Chart Revisions – Eric Lewis, Chief Executive Officer

As introduced at the last meeting, approval of the revised organization chart was requested.

MOTION: To approve the Organization Chart Revisions as presented. ***Motion carried unanimously.***

Cancer Center Expansion Project – Eric Lewis, Chief Executive Officer

As previously introduced, approval of the \$8.2 million Cancer Center Expansion Project requested. The expansion was designed to meet the high demand of cancer care to patients for the next 20 years. The agreement with Coates Design Architects has been completed, and they will hire consultants for mechanical, electrical, plumbing, structural, medical planning, civil and landscaping. The total fee for that work is \$775,000. The scope of the work will follow in three phases. The start of construction is estimated to be November 2017 with completion by November 2018. Mr. Lewis thanked Commissioners Beitzel and Oblak for their time on the project development committee.

MOTION: To approve the Cancer Center Expansion Project at the estimated cost of \$8.2 million, and to authorize the CEO to sign the related architectural and consultant agreements at the cost of SEVEN HUNDRED SEVENTY FIVE THOUSAND DOLLARS (\$775,000), plus reimbursable expenses of up to THIRTY THOUSAND DOLLARS (\$30,000), as presented. ***Motion carried unanimously.***

ADMINISTRATOR'S REPORT – Eric Lewis, Chief Executive Officer

Operations Update

A ribbon cutting will occur at the new Walk in Clinic on February 16. Volumes have been high since the clinic opened. The upcoming employee recognition event will honor 207 employees, and 10 employees will be honored with 35 to 40 years of service. The community open house for the new Medical Office Building will occur on April 22. All of the clinics will be moved in soon, and the parking lot should be completed by mid-March, weather permitting.

State Advocacy

Site neutral legislation affects clinics over 250 yards away from the hospital. This would mean a \$2.5 million cut in Medicaid reimbursement to OMC if the designation was changed to free standing clinics. OMC is hopeful this will be avoided in the House and Senate budgets. This would affect OMC's 8th Street Primary Care Clinics and Sequim Campus.

Federal Advocacy

Due to Medicaid expansion, an additional 7,000 residents have coverage in Clallam County. However, this has been paid for with Medicare cuts that will continue to 2026. Coverage needs to be ensured for local residents.

2016-2018 Strategic Plan Update

The one page summary of year end 2016-2018 plan dashboard was reviewed as attached.

NEW BUSINESS

North Olympic Healthcare Network Recruitment Agreements – Eric Lewis, Chief Executive Officer

To help address the primary care shortage in the community, two more recruitment agreement were presented for consideration. NOHN has been successful recruiting both of these physicians who trained at Swedish and have roots in that program.

Dr. Linsey Monaghan would receive reimbursement of up to \$15,000 moving expenses, signing bonus of \$15,000, salary startup support of \$20,000 during first quarter of practice, retention incentive of \$20,000 after two years of service and \$10,000 after three years, for a total recruitment cost is \$80,000. She would work .75 FTE and starts July 2017.

Dr. Laura Diamond would receive a signing bonus of \$30,000, up to \$5,000 moving stipend, salary startup support of \$20,000 for first quarter of practice, for a total recruitment cost of \$55,000. She will work as a .8 FTE direct patient care and .2 FTE as clinical faculty for the Swedish Residency Program, and is able to start on May 8, 2017.

MOTION: To approve the physician recruitment agreements with North Olympic Healthcare Network for Linsey Monaghan, MD to include moving expenses, start up support, signing bonus, and retention incentive totaling EIGHTY THOUSAND DOLLARS (\$80,000), and for Laura Diamond, MD, to include moving expenses, start up support, and signing bonus totaling FIFTY FIVE THOUSAND DOLLARS (\$55,000) as presented.

2017 IT Capital Update – Sean Johnson, IT Manager

As the server storage unit is at end of life and needs to be replaced, a new hybrid server storage system that is faster, has better performance, reduced complexity and size will be presented for approval March 1. The total cost would be \$424,741 and includes maintenance.

OMC budgeted \$190,784 for a Security Incident Event Manager (SIEMS) software package in 2017 as the 2016 security audit recommended this purchase. The preferred vendor, AlienVault has offered OMC a 42% discount off list price if purchased by the end of February. As OMC is experiencing frequent outside cyber-attacks, this purchase is critical.

MOTION: To approve the purchase of the security incident event manager from AlienVault including software, licenses, implementation and training at the cost of NINETY ONE THOUSAND EIGHT HUNDRED FIVE DOLLARS (\$91,805), plus sales tax as presented. **Motion carried unanimously.**

EXECUTIVE SESSION

At 7:45 pm, a 10 minute recess was called. At 7:55 pm, the meeting moved to executive session to discuss litigation pursuant to RCW 42.30.110(1)(i) for 15 minutes with no action to follow. At 8:10 pm, the executive session concluded, the meeting was moved to open session and finally adjourned.

APPROVED AND ADOPTED this 15th day of March, 2017.

ATTEST:

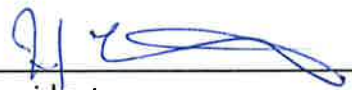


Secretary

Commissioner



Commissioner



President



Commissioner



Commissioner



Commissioner