

August 11, 2008

The regular meeting of the Board of Commissioners of Whidbey Island Public Hospital District was called to order at 6:00 p.m. by Board President, Roger Case. Present were President Case, Commissioner Schoenknecht, Commissioner Zaveruha, Commissioner Miller, and Commissioner Wallin. Chief Financial Officer, Joe Vessey, Chief Operating Officer, Tom Tomasino, Chief Nurse Executive, Jacque Scott, Chief of Staff, Dr. Chris Bibby, Dale Roundy, Esq., Dr. Chris Outlund, and Mary Pierzchala were also present.

President Case asked if there were any points of order to discuss, of which there were none.

Minute Approval

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the minutes from the July 14, 2008 regular Board meeting as presented. Motion carried. Commissioner Wallin made a motion, seconded by Commissioner Miller to approve the minutes from the August 4, 2008 special Board meeting as presented. Motion carried.

Public Questions or Comments

There were none.

Report from Adhoc Surgery Committee

Commissioner Wallin reported that the meeting went well and that Dr. Bibby did a good job leading the meeting. With the surgeons invited, and Dr. Zaveruha attending, there is a quorum of the Board with Commissioners Wallin and Miller also on the committee. For the meeting, one commissioner stayed out of the room during the meeting. Jacque Scott noted that while the notes of the last meeting of the committee are correct as submitted, two months ago the Admin Team decided not to require the surgery staff to take low census time. No staff are being required to take time off when surgery volumes are low - they can do projects or cross train. They may, however, choose to leave when volumes are low, if they wish. This committee will continue to meet on a monthly basis.

Quality and Patient Safety Report

Tom Tomasino, Chief Operating Officer, reported that the PSN (Patient Safety Network) was rolled out, and been up and running for approximately three weeks. Patient issues are entered electronically, and to date the system has had good success.

The follow up phone call program was started the last week of June with good success. Karen Loomam, RN has been doing a great job. She has been proactive about seeing patients and introducing herself, interfacing with physicians after calls are made to patients, and been able to identify issues.

Medical Staff Report

Dr. Chris Bibby, Chief of Staff, presented the following appointments and reappointments for approval:

Julio C. Gonzalez, M.D. – Active Staff Reappointment

Cheryl A. Kubisty, M.D. – Active Staff Reappointment

Samir F. Bishai, M.D. – Active Staff Reappointment

Douglas G. Langrock, M.D. - Active Staff Reappointment

E. Christopher Outlund, M.D. - Active Staff Reappointment

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the active staff reappointments as presented. Motion carried.

Tony C. Bartley, M.D. – Affiliate Active Staff Appointment

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the affiliate active staff appointment as presented. Motion carried.

Caryn M. Berkowitz, M.D. – Courtesy Staff Reappointment

Christopher Price, M.D. – Courtesy Staff Reappointment

Steve Y. Chen, M.D. – Courtesy Staff Reappointment

Mary M. Kelly, M.D. – Courtesy Staff Reappointment

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the courtesy staff reappointments as presented. Motion carried.

Xiaowen "Wendy" Wang, M.D. – Courtesy Staff Appointment

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the

courtesy staff appointment as presented. Motion carried.

Danhua K. Wallace, ARNP – Allied Health Professional

Britta C. Fischer, PA-C – Allied Health Professional

Kristine L. Young, PA-C – Allied Health Professional

Commissioner Schoenknecht made a motion, seconded by Commissioner Wallin to approve the Allied Health Professionals as presented. Motion carried.

Dr. Bibby reported that Georgia Heisterkamp, M.D. active general surgeon, resigned effective July 1, 2008. Harold Dash, M.D., courtesy cardiologist, resigned effective August 1, 2008.

Dr. Bibby also reported that there is a schedule being developed to help with surgery assistance for OB after hours. Physician Assistants interested in this assistance will be precepted.

Individual Items (Discussion and/or Action)

A. Extension for Anesthesia Proposals (September 2, 2008)

Commissioner Wallin made a motion, seconded by Commissioner Miller to approve extending the deadline for receiving proposals for anesthesia services to close of business on September 2, 2008. Motion carried. Dr. Outlund was in the audience and indicated that he plans to submit a proposal. With regard to current anesthesia coverage, Mr. Rhine, in his written Administrator's report, wanted to clarify a misstatement from last month's Board meeting. Dr. Chris Outlund did not schedule additional vacation in August, and in fact came back in July to provide anesthesia coverage and is providing a full schedule of coverage in August.

B. Finance Committee Recommendations for Approval of \$18 Million Single Source Revenue Bonds

Commissioner Miller reported that the Finance Committee evaluated a method to finance some of the satellite projects (EMS, Whidbey General South and North Whidbey Healthcare Services Building) with a single source revenue bond for \$18 million. This is broken down as follows: \$10 million for Whidbey General South, \$2 million for land purchase, \$3 million for EMS building at Bayview, and \$3 million for purchase of the North Whidbey building. After discussion, Commissioner Miller made a motion, seconded by Commissioner Wallin, with Commissioner Zaveruha abstaining, to approve the recommended single source financing for \$18 million for Whidbey General South, land purchase for Whidbey General South, EMS quarters at Bayview and purchase of the North Whidbey building. Motion carried.

Tom Tomasino, Chief Operating Officer, reported that the bid opening for Bayview EMS quarters is scheduled for September 11, 2008, and is to be published August 18, 2008. This has been discussed with the Board since February, 2007, however Board approval has not been given. It is Mr. Tomasino's understanding that a resolution is needed, making it necessary to schedule a special Board meeting in order to meet the deadlines of the advertising and bid process to keep the project on schedule. It was decided that a special meeting would be scheduled for Wednesday, August 13, 2008 at 6:00 p.m. to consider approval of a resolution authorizing the Bayview EMS project to go out to bid. Commissioner Zaveruha will abstain from this meeting. Commissioner Schoenknecht will be out of town. There will still be a quorum with President Case and Commissioners Miller and Wallin to attend.

C. Renewal of Line of Credit with Whidbey Island Bank

Commissioner Miller reported that the Finance Committee is recommending to the Board to approve renewal of the \$3 million line of credit with Whidbey Island Bank. While this line of credit has not been needed this year, it is felt that it is a prudent and cost effective reserve. Joe Vessey, CFO, was able to negotiate a good rate on the renewal. Commissioner Miller made a motion, seconded by Commissioner Wallin to approve renewing the line of credit for \$3 million with Whidbey Island Bank as presented. Motion carried. It was noted that there is a \$7500 origination fee for this renewal.

D. Approval of Resolution #286 Relating to Petty Cash

Joe Vessey, CFO, presented Resolution #286 for approval relating to petty cash funds and change drawers. Mr. Vessey stated that the State auditors require controls in place for these monies, helping to ensure public funds are accounted for. With no further discussion, Commissioner Wallin made a motion, seconded by Commissioner Miller to approve Resolution #286 relating to "petty cash funds" and "change drawers" currently maintained by the District, the establishment of two additional "change drawers" and authorizing the Treasurer of the District to establish procedures for the operation and use of any "petty cash funds" and "change drawers" established and maintained by the

District in accordance with applicable law and regulations; and approving, confirming and ratifying all actions heretofore taken in furtherance of the purposes of the resolution. Motion carried.

Board Items

A. Process for South Whidbey Hospital Commissioner Selection

The Board discussed the selection of a replacement for Commissioner Schoenknecht, who is expected to leave the Board the end of September, 2008. An announcement was sent to the newspapers, and it was noted that it did not appear in the South Whidbey Record. President Case will follow up on this. It was also suggested that this announcement be placed in the "Market Place" publication. The process calls for interested parties to submit a letter of interest and resume to the Board President in care of Whidbey General Hospital by the end of September, 2008. Interviews will be held in a regular public Board meeting, a decision made in Executive Session, and the Board approving the person selected when back in regular session. Dale Roundy, hospital attorney, stated that the Board has ninety days, after Commissioner Schoenknecht's formal resignation, to fill the open position on the Board, and if have not done so in ninety days, the County then appoints someone.

B. Discuss Amending Board Bylaws to Address Adding Compliance as a Board Committee

President Case distributed proposed changes to the hospital bylaws to include a proposal to add the Compliance Committee as a Board committee chaired by a commissioner. Also proposed under Article 3.0 is the addition of language under 3.1.2.3 "Chief Operating Officer and Chief Financial Officer are covered in Section 3.1.2.12). Addition of 3.1.2.12 "The Chief Executive Officer shall submit to the Board of Commissioners his or her recommendation for the position of Chief Operating Officer and Chief Financial Officer. The Chief Operating Officer and the Chief Financial Officer shall work under the direction of the Chief Executive Officer. The appointment or removal of the Chief Operating Officer or the Chief Financial Officer shall be by resolution of the Board adopted by a majority vote." Addition under 3.2.2 Powers and Duties – "the internal auditor shall report directly to the Board any irregularities, discrepancies, and concerns."

Tom Tomasino, Chief Operating Officer, asked for clarification. Mr. Tomasino asked who would report committee activities to the Board, who would chair the Compliance Committee, and who would be responsible to set the meeting agendas? Mr. Tomasino recommends standardizing these processes for committees chaired by Board members. President Case indicated this would be put on September's Board meeting agenda for discussion and clarification.

Staff and Status Reports from Administration

Administration Report

Commissioner Zaveruha reported that a recent meeting with South Whidbey Fire District leadership went well, and there is agreement to work together. Mutual understanding of how that will happen will be discussed in the next meeting. All in attendance agreed that there were more opportunities for closer planning, and that there was a need for greater communication. Fire District leadership talked about their desire to participate in the EMS system using their volunteer system. They spoke about the need for increased radio equipment and training and equipment in general. Future meetings will be held to discuss specific needs and future planning.

Critical Access and Emergency Department Report

Tom Tomasino reported that there were no patients diverted for critical access in June. Mr. Tomasino did not have Emergency Department numbers available to report.

Review of Dashboard Report

The Board is pleased with the current format of the Dashboard Report. Tom Tomasino stated that he continues to work with Katie Carr and Shannon McDonnell to develop meaningful numbers for surgical site infections. Commissioner Miller requested that Mr. Tomasino send her trigger tool information. Jacque Scott shared that the trigger tool notes certain events that give us a method to measure potential risk.

Consent Agenda Items:

A. Commissioner Miller made a motion, seconded by Commissioner Wallin to approve the write offs for July in the amount of \$239,236.03. Motion carried.

B. Vouchers audited and certified by the auditing officer as required by RCW 40.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the Board. Commissioner Miller made a motion, seconded

by Commissioner Wallin to approve the General Fund operating expenses vouchers in the total amount of \$1,171.69. Motion carried with Commissioner Zaveruha abstaining. Vouchers audited and certified by the auditing officer as required by RCW 40.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing, which has been made available to the Board. Commissioner Miller made a motion, seconded by Commissioner Wallin to approve vouchers #116246 to #117030, #1458 to #1477 in the total amount of \$5,863,045.70. Motion carried with all commissioners present voting.

There being no further business, the meeting adjourned at 7:10 p.m.