

MINUTES OF THE MEETING OF
THE BOARD OF COMMISSIONERS
PUBLIC HOSPITAL DISTRICT NO. 1
OF KING COUNTY, WASHINGTON

Held on May 18, 2009

Attendance:

Commissioner G. Sue Bowman, Commissioner, Commissioner-at-large
Commissioner Anthony R. Hemstad, Commissioner, District No. 3
Commissioner Donald O. Jacobson, President, Commissioner, District No. 1
Commissioner Michael W. Miller, Vice President, Commissioner-at-large
Commissioner Carolyn V. Parnell, Secretary, Commissioner, District No. 2
Richard D. Roodman, Administrator/CEO – Superintendent
Paul S. Hayes, R.N., Executive Vice President
Kathryn D. Beattie, M.D., Senior Vice President - Chief Medical Officer
Larry Smith, Senior Vice President – Chief Financial Officer
Scott Alleman, R.N., Senior Vice President – Patient Care Services
L. Michael Glenn, Senior Vice-President – Business Development
Paul Larson, Senior Vice President – Clinic Network
Pamela Fowler, Director – Marketing and Community Affairs
Kris Tiernan, Assistant to CEO and Board of Commissioners

Those present for a portion of the meeting:

Kim Blakeley, Public Relations Manager

This meeting of the Board of Commissioners of Public Hospital District No. 1 of King County was opened by President Jacobson at 3:33 p.m. in the Board Room of Valley Medical Center. It was moved and seconded to approve the minutes of May 4, 2009. Motion carried unanimously.

Community Affairs Ms. Fowler reported on various community outreach activities of the Public Relations and Marketing Department as follows:

Valley representatives attended the opening of the Newcastle YMCA on May 15th, and will participate in developing their wellness activities.

The daVinci Robotic Surgery System was demonstrated at Southcenter Mall and viewed by approximately 350-400 people on Saturday, May 16th.

Close to 50 participants are registered for a Joint Replacement Seminar with Dr. Bill Barrett, scheduled for May 20th in the Conference Center.

Valley will participate in the *Renton Relay for Life* fundraiser for cancer scheduled for May 29th and 30th.

A story in the *Renton Reporter* featuring long-time VIA volunteer, Anne Goodfellow, was circulated.

A story in the May 15th edition of the *Maple Valley/Covington Reporter* on Valley's hospitalist program was also circulated.

VMC's "New Movers" campaign was launched in April to inform new district residents of Valley's services. Ms. Fowler described the program and circulated sample packets which are mailed to the new residents.

The annual GoldenCare Senior Fair which was held May 8th was very well-attended. Over 750 seniors participated.

Over 90 women registered and attended a *Managing Menopause* seminar on May 6th.

Programs

Mr. Glenn presented a video demonstrating the capabilities of the da Vinci *Si* Robotic Surgical System. At this time, Valley is the only medical center on the west coast which has this third generation model. The first three cases to be performed at VMC using the da Vinci were done May 13th. Mr. Roodman commented that the da Vinci system is being sought by consumers because of better outcomes, and is essential for physician recruitment. In response to a question, it was noted that the cost difference when using the da Vinci is minimized by a shorter length of stay. At 3:55 p.m., the Board adjourned to the second floor lobby for approximately 25 minutes to view a demonstration of the new system. The commissioners returned to the Board Room at 4:20 p.m. and the meeting continued.

Medical Affairs

Medical Executive Committee

Dr. Beattie reported on the May 12th meeting of the Medical Executive Committee. The MEC considered a recommendation from the Multidisciplinary Peer Review Committee regarding Medical Staff Policy (Chapter 12 - Medical Records, Section 5 - Operative and Procedure Reports) which requires that "a full operative or procedure report should be dictated immediately following surgery or procedure and certainly within twenty-four hours following the surgery or procedure for all patients," needs to be enforced more stringently and consistently. In addition, the Policy (Chapter 12 Medical Records, Section 2 History and Physical) requiring, "An appropriately comprehensive, current history and physical examination shall be recorded by the attending Member within 24 hours of admission," should similarly be enforced. After discussing the alternatives, it was decided that the following will be implemented immediately:

- A letter will be sent to Medical Staff emphasizing the reasons that prompt dictation is critical to ensuring high quality documentation and reduced risk by improving communication and informing them of a plan to post list of delayed dictations in the OR lounge, physicians lounge and procedural suites as soon as possible. Further, that in June MEC will finalize a plan to implement penalties for excessively delinquent dictation with enforcement to begin July 1, 2009.
- Coordinate with HIM (Medical Records) to send notification via email of dictations >49 hours late.
- A three-part-penalty was proposed and will be considered and finalized at the June MEC meeting for implementation July 1:
If more than 3 charts are > 48 hours delinquent in dictation:
 - A. The individual will be notified that they have 2 days to complete all dictations
 - B. The individual will NOT be able to schedule elective cases until all dictations are up to date (no cases already scheduled will be canceled and the individual will still be responsible for all on-call duties)

- C. If 48 hours elapses and the delinquent charts are not dictated, the individual will be fined \$25 per chart per day until all delayed dictations are completed and no elective cases will be scheduled until the fine is paid.

Improving the system for Primary Care Referrals out of the ED for patients without a primary physician was discussed and endorsed.

Pathways, Protocols and Order Sets relative to the Stroke program at VMC were presented and approved.

Credentials

MOTION

Recommendations dated May 12, 2009, from the Medical Executive Committee outlining appointments, reappointments, changes of staff status, change in privileges, and resignations were distributed and individually reviewed by Dr. Beattie. Following discussion, it was moved, seconded and unanimously carried to approve credentialing/privileging recommendations as presented. Copies are attached to and made part of these minutes.

Quality Management Update

Dr. Beattie also briefly reviewed topics discussed at the May meeting of the Quality Improvement Council, including CMS Reports on AMI, HF, and Pneumonia 30-day mortality and readmission rates.

Trends in Utilization Management were also reviewed, including LOS, Readmissions, Program for Evaluating Payment Patterns Electronic Report (PEPPER), and Non-Acute days.

Reports

Reports from Administration

Financial Affairs

Mr. Larry Smith reported on April statistics, noting that volumes are higher than expected. Although net income from operations for the month was positive, concern continues over the impact of the recession on the second half of the year. Management of premium time (agency and overtime) has significantly impacted labor costs. Decreased discretionary spending has also been a factor.

Efforts continue to mitigate declining Medicaid reimbursement because of the state budget shortfall. A state-funded Medicaid eligibility worker should be onsite by May 22. VMC is working toward improving reimbursement for employed physician services to Medicaid patients through a Professional Services Supplemental Payment Program.

Scenarios for obtaining federal grants and matching funds were discussed by Mr. Roodman. He also discussed the impact of the recession on clinics and medical centers, such as VMC, noting that the industry continues to face significant financial challenges.

Write-off of Accounts Receivable

MOTION

It was moved and seconded to approve write-off of hospital and clinic accounts receivable in the amount of \$3,143,110.79, of which \$3,135,499.75 has been referred to Collection. The balance of \$7,611.04 represents bankrupt accounts and cancellations.

Bills/Vouchers

MOTION

The Board, by motion, approved payments of the following bills and vouchers:

Absher Construction Co., Inc. Central Utility Project – Application No. 12-R1	\$ 76,133.51
H.S. Builders, Inc. SPD Infill Renovation – Application No. 4	46,637.80

	WARRANT NUMBERS		DATED	AMOUNT	
	FROM	TO			
ACCOUNTS PAYABLE	825597	825597	4/22/2009	Void	0.00
ACCOUNTS PAYABLE	825602	825603	4/22/2009		112.96
ACCOUNTS PAYABLE	2121291	2121484	4/30/2009		1,001,967.25
WIRES OR EFT					1,334,830.96
GRAND TOTAL AP and EFT/WIRES					\$2,459,682.48

Resolution No. 909 – Surplus Property

MOTION

It was moved and seconded to approve Resolution No. 909 declaring certain equipment in the District’s hospital as surplus to the needs of the District and directing the Superintendent of the District’s hospital or his designee to effect proper disposal of such surplus property, as provided by the statute. The motion was approved unanimously

Operations Update

Mr. Hayes commented on continual efforts to manage costs by monitoring premium time and managing operating expenses on a daily basis. This week, letters will be sent to vendors requesting a 10% reduction in fees for goods/services.

The “Valley Team Month” celebration continues throughout the month of May. Activities are scheduled each week and include the quarterly Employee of the Month celebration as well as distribution of healthy snacks last week and coffee cake this week. Events will conclude May 27th with ice cream treats and a small token of appreciation for all staff members. Celebrating “Valley Team Month” acknowledges all members of the team in a unified and consistent manner.

The Building Committee met May 5th and reviewed anticipated recommendations from the Performance Audit, DOH licensing of outpatient clinics, current status of the South Tower Project, and updates on the Surgery Project, Central Utility Plant, EST Cold Room, Process Cooling and SPD Infill. The pneumatic tube system will be out of service for several months while the system in the main hospital is retrofitted to be compatible with the new South Tower system. Approximately 3,000 specimens and communications are sent through the tube system on a daily basis. A plan is being developed to accommodate for the downtime.

Recess

President Jacobson called for a ten minute recess at 5:30 p.m.

Reconvened The meeting reconvened at 5:42 p.m.

Patient Care Services

Mr. Alleman noted that traditionally Nurses Day and Week occur in May, which is also Valley Team Month. Banners recognizing their contribution have been displayed

The Infection Control Team continues to monitor updates from the Centers for Disease Control, Washington State Department of Health and Seattle-King County Public Health regarding H1N1 swine flu. All precautions recommended by the above agencies are being followed. To date, there have been 4700 reported cases and 4 deaths attributed to H1N1 flu. This compares to approximately 30,000 annual deaths from seasonal flu.

In response to a question, Mr. Alleman stated that the registered nurses recruited from the Philippines are processing through immigration. None have arrived yet. They will fill only vacant positions.

Clinic Network

Mr. Larson updated the Board on provider recruitment for the Renton Landing Primary and Urgent Care Clinic. Architectural plans for the clinic site are being finalized and it is anticipated that Board approval to bid the project will be requested in late June.

An application has been submitted to the Department of Health to join Washington State's collaborative effort to form a "medical home."

The *Practice Partner* electronic medical record system will be installed in the four urgent care clinics in mid-June following six weeks of intensive training. It is likely that the transition to EMR will result in a decrease in productivity for the clinics.

Public Comment Public Comment

At 6:00 p.m. President Jacobson called for public comment. There was none.

Business Development

A special presentation scheduled for June 16th from 7:00 to 9:00 a.m. on *The Future of Cardiovascular Services* was announced by Mr. Glenn. David L. Katz, MD, JD, from the Health Care Advisory Board will speak on *The Agile Cardiovascular Enterprise*.

Mr. Glenn also discussed the possibility of adding stand-alone emergency services to the Covington Clinic site.

Recess President Jacobson acknowledged a request for a recess at 6:16 p.m. following which the Board convened in Executive Session for approximately 20 minutes for the purpose of discussing specific personnel issues permitted by RCW 42.30.110(g) and litigation issues permitted by RCW.42.30.110(1).

Reconvened The meeting reconvened at 6:40 p.m.

Adjournment There being no further business, motion was made to adjourn this meeting at 6:42 p.m.