

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

Held on August 17, 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  
Paul Larson, Senior Vice President – Clinic Network  
Barbara Mitchell, Senior Vice President – HR and Marketing  
Robert L. Thompson, M.D., Vice President – Physician Relations  
David E. Smith – General Counsel  
Kris Tiernan, Assistant to CEO and Board of Commissioners

Those present for a portion of the meeting:

Kim Blakeley, Community Relations Manager  
Mary McWilliams, Executive Director – Puget Sound Health Alliance

This meeting of the Board of Commissioners of Public Hospital District No. 1 of King County was opened by President Jacobson at 3:35 p.m. in the Board Room of Valley Medical Center. It was moved and seconded to approve the minutes of August 3, 2009. Motion carried unanimously.

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

A fifth generation baby girl was born at VMC last week to a long-time Renton family. KOMO and KIRO covered the story, photographing the newborn, mother, grandmother, great-grandmother and great-great grandmother, who will soon turn 90 years of age. Four of the five generations were born at the current or past hospital locations.

Providers from the VMC Clinic Network conducted free sports physicals at Kent-Meridian High School last Saturday from 9 am to 12 noon. Approximately 125 students participated. This was the second sports physical event held this summer.

Programs [Puget Sound Health Alliance Community Check Up Report](#)

Dr. Beattie introduced Mary McWilliams, Executive Director of Puget Sound Health Alliance. The Alliance is a regional partnership, created in 2004, involving employers, physicians, hospitals, patients, health plans and others working together to improve quality and efficiency while reducing the rate of health care cost increases across King, Kitsap, Pierce, Snohomish and Thurston counties. Data from CMS Hospital Compare, The Leapfrog Group and the Washington State Department of Health is used to compile the reports. The data is then released in the form of "the Community Checkup," available to

the public and designed to help improve health care decision-making. Ms. McWilliams compared 2008 and 2009 Community Checkup reports using data gathered on diabetes care, use of generic drugs, heart failure care and the hospital patient experience. Key findings were reviewed which illustrates that all health care organizations have opportunities to improve. Refinement of the reporting will continue as Puget Sound Health Alliance strives to improve health care quality and efficiency through publishing the Community Checkups.

Medical Affairs

Quality Management Update

Dr. Beattie reported on the August 4<sup>th</sup> meeting of the Quality Improvement Council. Department of Health survey-readiness highlights were reviewed. This information has been distributed to the general Medical Staff and Vice-Chairs were encouraged to reinforce with their departments.

The Moderate Sedation outcomes annual review data was presented. The incidence of adverse outcomes was significantly lower than expected. All cases with required intervention post-sedation were forwarded to the Multidisciplinary Peer Review Committee. Opportunity exists for improved documentation and an initiative to standardize sedation documentation was endorsed. It was recommended that subsequent physician education regarding required documentation be encouraged.

Critical test results reporting was presented as well as data on falls, pressure ulcers, and restraints use.

A special announcement was made that Perfect Care for Pneumonia patients hit 100% in June of 2009!

Medical Executive Committee

Dr. Beattie reported on the August 11<sup>th</sup> meeting of the Medical Executive Committee. Financial support for "Body Works," a health education program for pre-teens sponsored by Dr. Monica Richter was approved. Operational logistics for implementing the CA-UTI Prevention Initiative were discussed. A revision to Chapter 12 of the Medical Staff Policies – Medical Records- was approved and will be distributed to the general Medical Staff membership for review and comment. The *Administrative Code of Conduct Policy* was presented and a subcommittee of the MEC was selected to write a proposed *Code of Conduct Policy for the Medical Staff* to include language regarding policy for disruptive physician behavior.

Credentials

MOTION

Recommendations dated August 11, 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.

Reports

Reports from Administration

Financial Affairs

Mr. Larry Smith reported that the August financials were emailed to commissioners last week. He said that volume was down slightly for July which is consistent with national trends. July net revenue was positive, although slightly below target. Management and staffing levels are appropriate and ratios are lower than previous year. Bad debt year-to-date is at \$600K and remains a concern. Year-to-date net income from operations is slightly above budget. Managers are doing a good job managing expenses, although concern remains about the challenges of the second half of 2009 and all of 2010. Valley is attempting to provide assistance to help qualified people obtain insurance coverage.

National health care reform continues to be a major focus in the media. Most of the activity involves being paid for quality. Future payment by Medicare and Medicaid will most likely be determined by efficiency and quality measures, which makes the earlier presentation by Mary McWilliams very timely.

The budget process for 2010 is beginning.

Bills/Vouchers

MOTION

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

Lydig Construction, Inc.  
 VMC Emergency Tower – App. No. 21 \$2,039,910.08

	WARRANT NUMBERS		DATED	AMOUNT
	FROM	TO		
ACCOUNTS PAYABLE	29583	29948	7/28/2009	133,706.65
ACCOUNTS PAYABLE	29949	30636	8/4/2009	0.00
ACCOUNTS PAYABLE	30637	31002	8/4/2009	111,365.68
ACCOUNTS PAYABLE	31003	31197	8/11/2009	54,225.27
ACCOUNTS PAYABLE	825908	825933	7/28/2009	3,461.05
ACCOUNTS PAYABLE	825934	825977	8/4/2009	1,885.09
ACCOUNTS PAYABLE	825978	825982	8/11/2009	187.79
ACCOUNTS PAYABLE	13906	13942	7/28/2009	6,284.59
ACCOUNTS PAYABLE	2126422	2126609	7/28/2009	1,256,587.22
ACCOUNTS PAYABLE	2126610	2126835	7/30/2009	1,201,546.72
ACCOUNTS PAYABLE	2126836	2126968	8/4/2009	818,414.75
ACCOUNTS PAYABLE	2126969	2127142	8/6/2009	1,365,544.29
ACCOUNTS PAYABLE	2127143	2127279	8/11/2009	539,680.60
ACCOUNTS PAYABLE	2127280	2127281	8/11/2009	417.15
TOTAL AP				5,493,306.85
WIRES OR EFT				1,143,573.54
JULY PAYROLL				12,552,904.42
GRAND TOTAL				\$21,229,694.89

Resolution No. 916 – Surplus Property

MOTION

It was moved and seconded to approve Resolution No. 916, declaring certain equipment in the District's hospital as surplus to the needs of the District and direct 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 carried unanimously

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 \$2,755,421.51, of which \$2,740,941.77 has been referred to Collection. The balance of \$14,479.74 represents bankrupt accounts and cancellations.

Operations Update

Mr. Hayes reported that The Joint Commission today conducted a re-accreditation survey for Valley Medical Center's Stroke Program. It has just been learned that the survey went extremely well and full two-year accreditation will be recommended, with no findings or recommendations for improvement.

Planning continues for probable second wave of H1N1 Swine-Flu virus beginning in the next few months. The CDC is predicting 40% of the population could contract H1N1 over the next two years unless they are vaccinated. The target is to vaccinate 1 million individuals in King County with a series of two immunizations. There will be numerous vaccine administration sites and a coordinated effort to track all vaccinations. Manufacturers hope to have the vaccine available by October 15th. The CDC is working in conjunction with other agencies on developing a prioritization plan, coordination of sites and registry of immunization.

The Computerized Physician Order Entry (CPOE) readiness assessment is underway. This is an exceptionally complex project due to decision support, which is additionally integral, along with order sets, treatment protocols, etc. The assessment will include key physician leaders, clinical managers and IT representatives.

The Building Committee met August 4th and reviewed the South Tower Cold Room Project, SDP Infill, Renton Landing, campus signage, garage lighting, air handling unit replacement and the pneumatic tube system upgrade. The meeting concluded with a tour of the South Tower.

Patient Care Services

In light of possible serious flooding this winter in the Green River Valley due to partial failure of the Howard Hanson Dam, Mr. Alleman gave a presentation on disaster preparedness utilizing his own experiences during Hurricane Katrina in 2005. Lessons learned from this tragic event were summarized and included:

- Tracking numbers of people at emergency shelters and providing adequate facilities and resources.
- Defining who is in charge, conflicts over authority and inadequate communication among top level decision makers.
- Providing security to rescue teams.

- Helping to evacuate families of essential staff so they could focus on emergency response.
- Addressing communications systems and backup generators at critical facilities.
- Verifying reports of violence.
- Using counter-flow lanes and road shoulders for evacuation traffic.
- An effective evacuation plan for non-drivers.
- Prioritizing evacuation to insure that the most vulnerable are the first to leave.
- Accommodating pets.

Mr. Hayes noted that a briefing on possible winter flooding will be held in VMC's Auditorium on August 27<sup>th</sup> .

Recess President Jacobson called for a brief recess at 5:12 p.m.

Reconvened The meeting reconvened at 5:25 p.m.

### HR & Marketing

Ms. Mitchell reported that a new Director for the Marketing and Community Affairs Department has been selected and will be joining Valley in late September.

A marketing drive to increase membership in *GoldenCare*, which provides seniors with insurance assistance, flu shots, health screens, educational programs, etc., is underway. It is hoped that the membership drive will increase membership by 5,000 (currently 17,000 members). There are also plans to develop a new membership organization for young families within the district to promote healthy lifestyle for children and families.

Valley was recently named to the *US News and World Report* list of America's best hospitals for our successful handling of complex and demanding situations related to neurology and neurosurgery. Hospitals were rated based on reputation, death rate, patient safety and care-related factors such as nursing and patient services. Also reported in the current issue of *US News and World Report* was the announcement by the American Heart Association and American Stroke Association that VMC has achieved the 2009 Silver Performance Award for exceptional work around treatment for heart failure.

It was noted that agency time and overtime have decreased as a result of people wanting to work more hours due to the economy. An additional 94 individuals have been hired to fill vacant positions this year, which has increased total staff to nearly 2600. Also, 145 employees who have converted to benefit eligibility (.6 FTE and above) has resulted in the addition of 408 to our medical plan. Ms. Mitchell also noted that Valley has completed nine years without any hiring-activity litigation.

### Clinic Network

Mr. Larson announced that a new Director of Occupational Health Services will be joining Valley mid-September.

The possibility of adding an Urgent Care Clinic to Kent Primary Care is currently being assessed as space has currently become available.

Commissioner Miller was excused from the meeting at 5:40 p.m.

Recruitment Update

Dr. Thompson updated the Board on the daVinci Robotic Surgical System, noting that there have been 40+ cases since May installation. Gynecologic daVinci cases are rapidly increasing. The first urologic case was last week and several urologists are obtaining the necessary training. Although few procedures are suitable, there is some general surgeon interest in the daVinci as well.

Mr. Roodman then commented on the potential of new emergency services as well as the development of the WNI, cardiovascular services and oncological services.

Public Comment

Public Comment

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

Recess

President Jacobson acknowledged a request for a recess at 6:00 p.m. following which the Board convened in Executive Session for approximately 15 minutes for the purpose of discussing litigation issues permitted by RCW.42.30.110(1) and real estate issues permitted by RCW.42.30.110(b) and (c).

Reconvened

The meeting reconvened at 6:16 p.m.

Adjournment

There being no further business, motion was made to adjourn this meeting at 6:17 p.m.