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

Held on January 18, 2011

Attendance:

Commissioner G. Sue Bowman, President; Commissioner-at-large
Commissioner Aaron Heide, M.D., Commissioner-at-large
Commissioner Anthony R. Hemstad, Commissioner, District No. 3
Commissioner Donald O. Jacobson, Secretary; Commissioner, District No. 1
Commissioner Carolyn V. Parnell, Vice-President; 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
Sandra Sward, Assistant to CEO and Board of Commissioners

Those present for at least a portion of the meeting:

Dr. Oliver Aalami, VMC Vascular Surgery Services
Dr. Ira Allen, VMC Pathology
Kelle Baxter
Brad Bell, Bell Realty and President’s Advisory Council
Debbie Bird
Ken Brito, VMC Pharmacy
Kim Blakeley
Dr. Terry Block, President, Southlake Clinic, Cardiologist
Kim Browne, President’s Advisory Council
Dr. Philip Chan, Medical Director, VMC Kent Primary Care
Sue Churchill
Dr. Ron Cohen, VMC Psychiatry and Counseling Center, Medical Director
Charles Cortes, Renton Reporter
Judi Craig, President’s Advisory Council
John Custy, President’s Advisory Council
Bernie Dochnahl, Harborview Board, past VMC Commissioner, President’s Advisory Council
Mayor John Dulcich (Newcastle)
Nancy Eveleth
Paul Freedrich
Shannon Gilbert, MultiCare
Dr. Joyce Gauthier, VMC Rheumatology Clinic
Dr. Gina Godbout, Southlake Clinic Internal Medicine
Dr. Hanafy Hanafy
Don Hansen, Moss Adams – VMC Auditor
Call to Order: This meeting of the Board of Commissioners of Public Hospital District No. 1 of King County was opened by President Bowman at 4:03 p.m. in the Board Room of Valley Medical Center.

Approval of Minutes:

MOTION It was moved and seconded to approve the Minutes of January 3, 2011. The motion carried, four in favor (Bowman, Hemstad, Jacobson and Parnell). Commissioner Heide was not present for the vote.

Financial Items: It was moved and seconded to approve the financial items listed below. The motion carried, three in favor (Bowman, Jacobson and Parnell) and one opposed (Hemstad). Commissioner Heide was not present for the vote.
**WARRANT REGISTER**

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**PAYROLL**

**NET PAYROLL FOR DECEMBER 2010**

- $9,364,729.83

**WRITE-OFFS**

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**TOTAL WRITEOFF**

- 1,193,947.38
- 505,317.93
- $1,699,265.31

Resolution No. 959 – Surplus Property

**MOTION**

It was moved and seconded to approve Resolution No. 959 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 business to effect proper disposal of such surplus property, as provided by the statute. Motion carried, four in favor (Bowman, Hemstad, Jacobson and Parnell). Commissioner Heide was not present for the vote.
Medical Affairs:  

Credentials:  

MOTION  
Recommendations dated January 11, 2011 from the Medical Executive Committee outlining appointments, reappointments, changes of staff status, change in privileges, and resignations were distributed and individually reviewed by Dr. Kathryn Beattie. Dr. Wayne Lau presented Provisional Advancements for review and approval, as Dr. Kathryn Beattie was included in the applicants for that section and excused herself from the room. Following discussion, it was moved, seconded and carried to approve credentialing/privileging recommendations as presented, four in favor (Bowman, Hemstad, Jacobson and Parnell). Commissioner Heide was not present for the vote. Copies are attached to and made part of these minutes.

Presentation:  
Management Non-Binding Letter of Intent – Rich Roodman and Dr. Paul Ramsey

Mr. Roodman presented a short recap of the information he presented at the January 12, 2011 Board meeting, along with the timeline of events related to the review of Health Care Reform, Accountable Care Organizations and stabilizing the delivery of health care in the future. Dr. Paul Ramsey presented information pertaining to the University of Washington, the seven corporate entities within the UW Medicine, and specific information about the clinical services and financial overview of UW Medicine.

Public Comment:  
President Bowman indicated letters of support to pursue the Letter of Intent to possibly form a Strategic Alliance between VMC and UW Medicine have been received from the following local, state and federal representatives:

Senator Patty Murray  
Senator Maria Cantwell  
Senator Karen Keiser  
Senator Margarita Prentice  
Congressman Norm Dicks  
Congressman Adam Smith  
Representative Judy Clibborn  
Representative Marcie Maxwell  
Barbara Drennen, Executive Director, Pediatric Interim Care Center

The following individuals spoke in favor of pursuing the Letter of Intent to investigate the possibility of a Strategic Alliance between Valley Medical Center and UW Medicine:

Julia Patterson, King County Councilwoman  
Dr. Joyce Gauthier, VMC Rheumatology Clinic  
Brad Bell, Bell Realty and President’s Advisory Council  
Mayor John Dulcich (Newcastle)  
Dr. Kaya Hasanoglu, VMC Chief of Internal Medicine  
Dr. Mary Alice Heuschel, Superintendent, Renton Schools, President’s Advisory Council  
Dr. Oliver Aalami, VMC Vascular Surgery Services  
Lisa Jensen, Newcastle City Council/ Harborview Board, President’s Advisory Council  
Dr. Kim Herner, VMC Covington Clinic, Medical Director  
Bernie Dochnahl, Harborview Board, past VMC Commissioner, President’s Advisory Council  
Dr. Gina Godbout, Southlake Clinic Internal Medicine
Resolution No. 960- Potential Strategic Alliance Evaluation

MOTION It was moved and seconded to approve Resolution No. 960 directing the District to proceed with the evaluation of, and the negotiation of, the terms related to, a potential Strategic Alliance with UW Medicine. Motion passed unanimously.

Recess: President Bowman called for recess at 5:30 p.m. following which the Board met in Executive Session from 5:30 to 5:55 p.m. for the purpose of discussing specific personnel issues permitted by RCW 42.30.110(g) and protection of peer review issues permitted by RCW 70.41.200. President Bowman indicated action would be taken following Executive Session.

Reconvened: The meeting reconvened at 5:55 p.m.

MOTION It was moved and seconded to adopt the hearing panel findings and recommendations in regard to Physician Review 1127. The motion carried, three in favor (Bowman, Parnell and Jacobson) and two abstains (Heide and Hemstad).

Adjournment: There being no further business, motion was made and passed unanimously to adjourn the meeting at 5:58 p.m.