

**Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING**
Pomerado Hospital, Meeting Room E, Poway
Monday, March 13, 2006

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:40 pm Quorum comprised Directors Bassett, Greer, Kleiter, Krider, Larson, Rivera and Scofield.		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison, followed by an inspirational reading by Chaplain Walden (<i>attached to original</i>).	Chairman Rivera thanked Chaplain Walden for his reading.	
MISSION AND VISION STATEMENTS	<p>The PPH mission and vision statements were read by Director Greer, as follows:</p> <p><i>The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve.</i></p> <p><i>The vision of PPH is to be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services.</i></p>		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements		
PUBLIC COMMENTS <ul style="list-style-type: none"> • Linda Phillips, R.N. 	Ms Linda Phillips, R.N., a resident of Valley Center and R.N. in Escondido for nearly 22 years, commented that she had been recently elected to serve on the Nurses Negotiating Team. Nurses had taken on the challenge of reaching Magnet status, noting that in February they began union negotiations for a second contract. However, it was felt that management was sending a clear message that they did not want to contract and that the CEO was actively advocating dismantling their union as they work toward achieving Magnet status. Ms Phillips wished to know if the	Chairman Rivera thanked Ms Phillips for attending the meeting, noting that the Board is very supportive of the nursing staff and appreciated her presenting these comments.	

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	elected members of the Board were in support of the nurses in reaching a fair contract.		
APPROVAL OF MINUTES <ul style="list-style-type: none"> • February 13, 2006 Regular • February 23, 2006 Special (ERTC Site/Close of Escrow; Development Agreement) 		MOTION: by Greer, 2 nd by Scofield and carried to approve the February 13, 2006 Regular Meeting minutes as submitted. All in favor. None opposed. MOTION: by Scofield, 2 nd by Kleiter and carried to approve the February 23, 2006 Special Meeting minutes as submitted. All in favor. None opposed.	
APPROVAL OF AGENDA to accept the Consent Items as listed		MOTION: by Krider, 2 nd by Kleiter and carried to approve the Consent Items as submitted. All in favor. None opposed.	
PRESENTATION			
<ul style="list-style-type: none"> ▪ Environment of Care (EOC) Annual Report 	Kevin Matsukado, Director, Security and Safety, and Jeffrey Cleek, Safety Officer presented the Annual Report on the Environment of Care, the written report of which is to meet Joint Commission requirements. It also enables a comparison to be made between one year and another to demonstrate accomplishments and examine issues, in addition to demonstrating the value of various programs to leadership (<i>report attached to original</i>).		
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	<ol style="list-style-type: none"> a. Robert D. Trifunovic, MD., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations. b. Robert D. Trifunovic, MD., Chief of PMC Medical Staff, also presented request for approval of PMC Department of Anesthesia Rules and 	MOTION: by Scofield, 2 nd by Kleiter and carried to approve both the PMC Medical Staff Executive Committee credentialing recommendations for the PMC Medical Staff; and to approve the PMC Department of Anesthesia Rules and Regulations as presented.	

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	Regulations.	All in favor. None opposed. Directors Bassett and Larson abstained to avoid potential conflict of interest. Director Greer declined.	
Escondido Surgery Center			
<ul style="list-style-type: none"> ▪ Credentialing 	Marvin W. Levenson, MD, Administrator/ Medical Director of the Escondido Surgery Center, presented requests for approval of Credentialing Recommendations.	MOTION: by Kleiter, 2 nd by Bassett and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the Escondido Surgery Center, as presented. All in favor. None opposed. Director Larson abstained to avoid potential conflict of interest. Director Greer declined.	
Pomerado Hospital			
<ul style="list-style-type: none"> ▪ Credentialing 	Paul E. Tornambe, MD., Chief of Pomerado Medical Staff, presented Pomerado Hospital's requests for approval of Credentialing Recommendations.	MOTION: by Kleiter, 2 nd by Krider and carried to approve the Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented. None opposed. Director Larson abstained to avoid potential conflict of interest. Director Greer declined.	
Administrative			
Chairperson - Palomar Pomerado Health Foundation	Ms Pauline Getz		
	<p>Ms Getz provided a verbal Foundation update to the Board, noting that a massive data base integration is expected to finalize at the end of March which would also enhance the quality of their financial reporting.</p> <p>New materials and brochure are being displayed throughout the facilities and mailed to as many as possible.</p>	Chairman Rivera thanked Ms Getz for her informative report and the passion she has demonstrated for the Foundation.	

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	<p>An annual report is being developed focusing on a year in review concept and will be distributed to top donors and other significant contributors. Liaison with Marketing who will assist with the look and message of the report.</p> <p>A Facility Naming Policy has been finalized and forwarded to the CEO and the Board's input will be sought.</p> <p>A Fall Women's event at the home of one of the Foundation's Board of Directors who is a substantial contributor will be held in early October and will benefit Women's and Children's Services.</p>		
<p>Chairman of the Board - Palomar Pomerado Health</p>	<p>Marcelo R. Rivera, MD</p>		
<ul style="list-style-type: none"> • Congratulatory Letter February 28 from Escondido City Attorney • Sacramento Legislative Day February 22 	<p>Chairman Rivera read out a supportive and congratulatory letter dated February 28, 2006 addressed to Dr. Rivera as Chairman of the Board, from Mr. Jeffrey Epp, Escondido City Attorney. On behalf of the Board, Dr. Rivera thanked Mr. Epp for putting his sentiments in writing, noting that it had been a pleasure working with him during this period.</p> <p>Chairman Rivera referred to his attendance at the Sacramento Legislative Day and CHA Governance Committee Meeting February 22, which continued to the following day, noting that there were seven million uninsured in California and that the challenges increase.</p> <p>He talked to many legislators including Assemblyman Plescia, congratulating him on his recent Assembly Leadership role. Discussions included the Tobacco Tax and millions of dollars involved for children, nursing, community clinics, etc. Hospital seismic issues, cost-effective use of monies for construction, improving patient safety and</p>		

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<ul style="list-style-type: none"> CSUSM Annual Fundraiser March 5 	<p>quality, and anticipated cutbacks in Medicare were all discussed.</p> <p>Chairman Rivera referred to California State University's Annual Fundraiser March 5, stating that PPH was the driving force, directed by Vice Chair Nancy Bassett, R.N., who headed up the ad hoc Nursing Committee, so that PPH was eventually able to provide over \$3 million to get the Nursing School at CSUSM started. We have an ongoing commitment to double their classes and also created high school educational sessions as a major option for students' consideration at CSUSM, noting and that we will continue to work with this.</p>		
<ul style="list-style-type: none"> Resolution No. 03.13.06 (01) – 05 Verifying Continued PPH Board Commitment to the PMC Trauma Program 	<p>The Director of Trauma Services at PMC had informed that the American College of Surgeons requires from the hospital's governing body every three (3) years, a resolution in support of the trauma center. An American College of Surgeons Survey was due May 8 and 9, 2006.</p>	<p>MOTION: by Kleiter, 2nd by Scofield and carried that Resolution No. 03.13.06 (01) – 05 Verifying Continued PPH Board Commitment to the PMC Trauma Program be adopted.</p> <p>All in favor. None opposed.</p>	
<p>President and CEO</p>	<p>Michael H. Covert</p>		
<ul style="list-style-type: none"> April 25 Volunteers Luncheon 	<p>Mr. Covert announced that the annual Volunteers Luncheon would be held at the Rancho Bernardo Inn on Tuesday, April 25, noting that this was an occasion to honor all of our volunteers.</p>		
<ul style="list-style-type: none"> March 14 "Health Heroes" Recognition 	<p>The CEO noted that on March 14 "Health Heroes" will be recognized at an event in Balboa Park and that Barbara Buesch, R.N. amongst others, will be receiving an award.</p>		
<ul style="list-style-type: none"> Suggestion of Congratulatory Letter to Assemblyman Plescia 	<p>At this point, Director Bassett suggested that it might be appropriate to draft a letter of congratulators to Assemblyman Plescia on his recent leadership appointment. Mr. Covert agreed with the idea and that he would be happy to draft a letter on behalf of the Chairman of the Board.</p>		<p>CEO to draft a letter to Assemblyman Plescia on behalf of the Chairman of the Board</p>

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<ul style="list-style-type: none"> 3rd Annual Leadership Recognition Awards Gala 	<p>Michael Covert reminded that the 3rd Annual Leadership Awards Banquet is scheduled for Friday, March 31.</p>		
<ul style="list-style-type: none"> March 31 Visit of Russell Massaro, M.D., from JCAHO 	<p>Mr. Covert referred to the upcoming visit March 31, 2006 of Russell Massaro, M.D., from the Joint Commission who would present to the Board, Medical Staff and Leadership on "JCAHO Continuous Readiness". Medical Staff Leadership would meet with him the previous day.</p> <p>Involvement had arisen out of our positive outcomes for the JCAHO survey and we had been selected by JCAHO as one of the hospitals to be involved in such activities. We have since been asked by hospitals around the country as to how they too, can be involved in this way.</p>		
<ul style="list-style-type: none"> Financial Meetings 	<p>Mr. Covert relayed that financial meetings regarding the budget were underway and that these would eventually go to the Board. Mr. Hemker stated that the budget would center primarily around volumes and new product lines. A similar budget timeline as last year is envisaged with working budget sessions in May so that the FY 2007 budget may be approved in June, 2006.</p>		
<ul style="list-style-type: none"> 20-year Employee Pin – Ms. Lorie Shoemaker, R.N. 	<p>Mr. Covert took pleasure in presenting Ms. Lorie Shoemaker, R.N., Chief Nurse Executive, with her 20-year Employee Pin, stating that he was very privileged to have her in this organization and that she had done wonderful things at PPH. Ms. Shoemaker was a strong patient advocate and had also worked with PPH for two years prior to the continuous 20 years for which she was being honored.</p>	<p>Ms. Shoemaker thanked Mr. Covert for the pin and his congratulatory words.</p>	
<ul style="list-style-type: none"> Quarterly Reports from Executive Staff - Gerald Bracht 	<p>Gerald Bracht, COO of Palomar Medical Center, provided a verbal report to the Board, referencing the Leader and Values in Action Award Winners for the quarter. Patient Loyalty, Completion of Renovations on the Mother/Baby Unit, JCAHO Merit Badge were</p>		

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	<p>also mentioned. The American Heart Association had received blanket approval from the JCAHO Merit Badge Recognition program for all Get with the Guidelines hospitals that have achieved their performance targets. In addition, a film crew from KFMB channel 8 was at PMC in surgery that day, March 13, filming a minimally invasive total hip replacement surgery performed by Dr. Knutson who has been a leader in this approach. Mr. Andy Hoang had worked tirelessly to get this story on the air and he was thanked for his efforts. (Applause). <i>(Attached to original)</i></p>		
<ul style="list-style-type: none"> - Jim Flinn 	<p>Jim Flinn, COO, Pomerado Hospital, noted that financially all areas were doing well and that strong volumes on the acute side as well as SNF and Behavioral Health continue to be seen. Customer Service had done well, as Pomerado met its annual goal of reaching 3.54 on the most recent quarter. National Nutrition Month and National Social Work Month were mentioned. Groundbreaking for the Pomerado expansion was scheduled for Noon, March 21.</p> <p>Mr. Flinn then acknowledged Mr. Gary Powers, CEO of San Diego North County Chamber of Commerce, who had petitioned the City of San Diego on our behalf for Rancho Penasquitos. Mr. Powers' wife was also noted as an active Auxilian at Villa Pomerado. <i>(Attached to original)</i></p>		
<ul style="list-style-type: none"> - Ms. Sheila Brown 	<p>Ms. Sheila Brown reported on Home Care, noting that it continues to score well. the Clinical Care Extender Program was expanding with our first cohort in September 2005 being 26 students, and in November 2005 we had approximately 60 students enroll. The Red Shirt Program for High School Students began this month and are 30 High School Students selected from our Health Care</p>		

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	<p>Academies to volunteer in the system.</p> <p>Regarding Welcome Home Baby Program, the San Diego First 5 Commission awarded PPH Welcome Home Baby the Health Developmental Services Project which will provide newborn medical home visits to all first time mothers throughout North Inland.</p> <p>Director Larson stated that it would be nice to obtain an update on the new improved Welcome Home Baby Program.</p> <p>In addition, Wound Care received Best Overall Service Excellence Award for the 2nd Quarter and are ranked in the 99th percentile world-class category. In April 2006 Anne Moore will be speaking in San Antonio on the effectiveness of wound care clinics on behalf of the Society for the Advancement of Wound Care. The Wound Care program is exceeding their revenues by \$785,492. <i>(Attached to original).</i></p>		<p>Ms. Brown would follow up at a later time.</p>
<ul style="list-style-type: none"> Ms. Lorie Shoemaker 	<p>Ms. Shoemaker presented her verbal report, noting that we are in the early stages of Shift Bidding and she explained in depth what this meant. Demonstrations are set for the end of March for three vendors who currently offer shift bidding, with the concept a lot like eBay online.</p> <p>Ms. Shoemaker continued that under the leadership of Ellen McKissick, the PPH nursing division established its first ever formal mentor program for new graduates. Staff desiring to become mentors must complete an application, be approved by their manager and unit practice council, and attend PPH mentor class and 75% of quarterly mentor meetings. This would be rewarded with the maximum PEP points in the Education category.</p>		

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	<p>The PPH Nursing Education Department was hosting a very special seminar entitled "Refresh Reflect Renew" at the Center for the Arts, Escondido on April 19, with the objective being to reflect on a positive and rewarding aspect of nursing practice, identify options for personal or professional renewal and formulate one strategy to enhance personal or professional life. Ms. Shoemaker then invited the Board to attend and distributed a copy of Nursing News Network for their information. <i>(Attached to original).</i></p>		
<ul style="list-style-type: none"> • Acknowledgement of Mr. Gary Powers 	<p>Chairman Rivera thanked Mr. Gary Powers for the time he spent at this Board meeting tonight.</p>		
<p>INFORMATION ITEMS</p>	<p><i>Discussion by exception only</i></p>		
<ul style="list-style-type: none"> ▪ Strategic Planning 			
<ul style="list-style-type: none"> ▪ Governance 			
<p>COMMITTEE REPORTS</p>			
<p>Ad hoc Legal Committee</p>	<p>Board Chairman Rivera referred to the Board's annual review of legal counsel needs, having recently formed an ad hoc committee for legal review. We were very pleased with the services we have been receiving but we have made attempts to save costs and maximize efficiency. The ad hoc committee was chaired by Director Krider with Directors Greer and Kleiter. Director Krider relayed that they had met twice to hear from Staff and basically were recommending an organizational structure and position description, with annual budget for such services in the coming year.</p> <p>As a result, recruitment of an in-house legal counsel and formulation of relevant Board Policy was requested, and for Administration to report back.</p>	<p>MOTION: by Krider, 2nd by Greer and carried for the recruitment of an in-house legal counsel and formulation of relevant Board Policy together with organizational structure, position description and annual budget.</p> <p>All in favor. None opposed.</p> <p>Chairman Rivera noted that this is an ongoing effort with regard to our expenses.</p>	

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BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH			
<ul style="list-style-type: none"> • ACHD Legislative Day March 6-7, 2006 Sacramento 	<p>Chairman Rivera introduced Director Kleiter who reported that he was pleased to have represented the District at this two-day meeting.</p> <p>It included an "expert panel" comprised of Daniel Weintraub, columnist for the Sacramento Bee, Assembly Member Joseph Canciamilla, and Assembly Member Keith Richman. The two assemblymen have organized a Bipartisan Group which meets regular to discuss policy issues.</p> <p>The following day was a visit with legislators, noting that we were only supporting one piece of legislation, being AB 1316 – Peer Review. Chairman Rivera also referred to a "spot Bill" SB 1175 by Senator Hollingsworth regarding Hospital Construction and cost escalation due to OSHPD requirements. <i>(Attached to original).</i></p>		
<ul style="list-style-type: none"> • Bond Covenant Ratios 	<p>Director Bassett referred to p. 12 of the Board packet and wished to thank Mr. Bob Hemker, CFO, for more fully explaining this matter in Finance Committee.</p>		
<ul style="list-style-type: none"> • Congratulatory items 	<p>Director Greer wished to congratulate Ms Lorie Shoemaker on her 20-year employee award pin. She also congratulated Ms Christine Meaney for keeping the Board on course in its scheduling and reminders.</p>		
<ul style="list-style-type: none"> • Pomerado Expansion Groundbreaking 	<p>Chairman Rivera reminded of the Groundbreaking for the Pomerado Expansion which is to be held at Noon on March 21 and looked forward to seeing all attend this important occasion.</p>		
ADJOURNMENT	7:50 p.m.		
SIGNATURES			
<ul style="list-style-type: none"> ▪ Board Secretary 	<p>_____</p> <p>Linda C. Greer, R.N.</p>		

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<ul style="list-style-type: none"> ▪ Board Assistant 	<hr/> Christine D. Meaney		