

**Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING
Palomar Medical Center, Graybill Auditorium
Monday, June 12, 2006**

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:40 pm Quorum comprised Directors Bassett, Greer, Kleiter, Krider, Larson, Powers, Rivera		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison, followed by an inspirational reading by Chaplain Hard (<i>attached</i>).		
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"> ▪ Sima Moazzaz-Reed Ms. Moazzaz-Reed spoke in favor of unity and diversity in the workforce. She would like to encourage English only written communications to employees from Administration . She also spoke in favor of cost of living increases for employees and appropriate increases for seasoned, experienced employees. 		
2 <ul style="list-style-type: none"> ▪ Danny Thomas Mr. Thomas made follow up remarks to his comments at a board meeting two months ago. He spoke in favor of retaining OPPUS. He 			

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	commented about his understanding that the area at the new hospital site where the road and bridge are to be built belongs to the County. He spoke about the need to have policies and procedures that permit nurses to confidentially express their concerns about their professional practice environment.		
<ul style="list-style-type: none"> ▪ Debbie Nelson 	Ms. Nelson spoke in favor of management considering all employees in a succession planning program, particularly in regard to replacement of R.N.s. She would like to see programs established for ancillary employees for advancement of their careers.		
<ul style="list-style-type: none"> ▪ Tina Koenig 	Ms. Koenig asked for understanding by management during the negotiation process. She encouraged everyone to be diligent in regard to reducing waste throughout the health system.		
<ul style="list-style-type: none"> ▪ Hermina Filares 	Ms. Filares spoke in favor of cost of living raises for employees.		
<ul style="list-style-type: none"> ▪ Steve Pfeffer 	Mr. Pfeffer spoke in favor of establishing a reasonable budget while being fair to all employees. He spoke in support of the wages that are being offered to employees by management.		
		Chairman Rivera expressed his appreciation to the speakers for their professionalism during the presentation of their opinions and for their interest in Board topics.	
APPROVAL OF MINUTES <ul style="list-style-type: none"> ▪ May 8, 2006 Regular 		MOTION: by Kleiter, 2 nd by Larson and carried to approve the May 8, 2006 minutes as submitted. All in favor. None opposed.	
APPROVAL OF AGENDA to accept the Consent Items as listed		MOTION: by Kleiter, 2 nd by Bassett and carried to approve the Consent Items as submitted. All in favor. None opposed.	

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PRESENTATION			
<ul style="list-style-type: none"> ▪ Lifeline Services – Jennifer Allen, Program Coordinator 	<p>Tina Pope, Director of Community Relations introduced a presentation of Lifeline Services by Jennifer Allen, Program Coordinator. A brief news clip of a woman who has benefited from the Lifeline Services was shown.</p> <p>Jennifer gave a brief history of this program at PPH along with program growth statistics. In FY2005/06 over 3520 lives have benefited from this important program. Support of the CEO, CMO, Director of Community Outreach and Development, Marketing and support from Lifeline Systems, Inc. were cited as factors contributing to program growth. Goals for 2006/07 were outlined. They included increase of funds available to low income subscribers, increased awareness and referrals within PPH and the community and reaching 600 subscribers at year end. <i>(presentation attached to original minutes)</i></p>	<p>Jennifer was praised for her efforts in regard to the Lifeline Services program and thanked for an excellent presentation.</p> <p>Dr. Kanter commented that it would be valuable if, upon discharge, physicians could be made aware of this program for their patients. Jennifer commented that she is working with discharge planners and Chris Cauch in that regard.</p> <p>Director Greer commented that program brochures in physician offices is another way to make people aware of the program.</p>	
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>Robert D. Trifunovic, MD., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations.</p>	<p>MOTION: by Bassett, 2nd by Kleiter and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the PMC Medical Staff, as presented. None opposed.</p> <p>Directors Greer and Larson abstained to avoid potential conflict of interest.</p>	
<ul style="list-style-type: none"> ▪ Department of OB/GYN Rules and Regulations 	<p>Robert Trifunovic, M.D., Chief of PMC Medical Staff requested approval of updates to the Department of OB/GYN Rules and Regulations.</p>	<p>MOTION: by Kleiter, 2nd by Bassett and carried to approve the PMC Medical Staff Executive Committee recommendations for an update to the Department of OB/GYN Rules and Regulations. All in favor. None</p>	

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		Opposed.	
<ul style="list-style-type: none"> ▪ Department of Medicine Rules and Regulations 	Robert Trifunovic, M.D., Chief of PMC Medical Staff requested approval of updates to the Department of Medicine Rules and Regulations.	MOTION: by Bassett, 2 nd by Kleiter and carried to approve the PMC Medical Staff Executive Committee recommendations for an update to the Department of Medicine Rules and Regulations. All in favor. None opposed.	
<ul style="list-style-type: none"> ▪ Credentialing Reappointment – Dr. Patrick O'Meara 	Credentialing Reappointment of Dr. Patrick O'Meara was brought forward for action.	MOTION: by Krider, 2 nd by Bassett and carried to extend the credentialing reappointment of Patrick O'Meara, M.D. until the next Board of Directors meeting. All in favor. None opposed.	
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. Directors Greer and Larson abstained to avoid potential conflict of interest.	
<ul style="list-style-type: none"> ▪ Bylaws Change 	Marvin Levenson, M.D., requested that this item be withdrawn from consideration by the Board.	Escondido Surgery Center request for change to bylaws withdrawn.	
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 Bassett and carried to approve the Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented. All in favor. None opposed.	

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		Directors Greer and Larson abstained to avoid potential conflict of interest.	
Administrative			
Chairperson - Palomar Pomerado Health Foundation	<p>Mr. Al Stehly provided an update on PPHF activities.</p> <ul style="list-style-type: none"> ▪ New PPHF Board Officers <ul style="list-style-type: none"> ○ Al Stehly – President ○ Harold Dokmo, V. President ○ Kevin Harkenrider – Treas. ○ Terry McCune – Secretary ▪ Management Services Agreement has been approved. ▪ New PPHF Board members – <ul style="list-style-type: none"> ○ Bill Duncan ○ Kimberly Parker ▪ FY06 Audit has been reaffirmed ▪ FY07 budget approved with a substantial increase in revenue to raise ▪ Foundation Board member program established to help members learn about systems of excellence 		
Chairman of the Board - Palomar Pomerado Health	Marcelo R. Rivera, M.D.		
<ul style="list-style-type: none"> ▪ Request to Address the Board 	Chairman Rivera extended an apology to Sue Phillips for inadvertently overlooking her request to address the Board during the public comments portion of the agenda.		
<ul style="list-style-type: none"> ▪ Resolution No. 06.12.06(05) – 18 Resolution of the PPH Board of Directors Amending Established Dates of Regular Board Meetings for Calendar Year 2006. 	<p>Chairman Rivera asked for discussion in regard to requests to change the date of the regular Board of Directors meeting from July 10 to July 17 because two of the Board members are unavailable to attend on July 10.</p> <p>If the meeting were to be changed to July 17, Director Kleiter would then be unable to attend. However, he stated that he would not be opposed to changing the meeting date to July 17 if the other members agreed to make that change.</p>	<p>MOTION by Powers, 2nd by Larson to change the date of the regular Board of Directors meeting from July 10 to July 17. All in favor. None opposed. Motion passed.</p> <p>The Board of Directors meeting in July will be changed to July 17.</p>	

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<ul style="list-style-type: none"> ▪ October PPH Board of Directors Meeting 	<p>Chairman Rivera requested that the Board members consider changing the October meeting of the Board of Directors from October 9 to October 16 because he will not be able to attend on October 9.</p>	<p>Board members will review their calendars. This item will be placed on the July agenda for further discussion and action. Director Kleiter stated that October 9 or 16 would work for him.</p>	
<ul style="list-style-type: none"> ▪ Mock Up Room Open House 	<p>June 19, 5:30 p.m – 7:30 p.m., mock up rooms for the new facility will be viewed. Dr. Rivera asked that all nursing and medical staff members be aware of this open house.</p>	<p>Michael Covert responded that arrangements have been made for employees to be shuttled to the location on Enterprise Avenue. PPH has been recognized by the Center for Health Design for the approach to design for our various facilities.</p>	
<p>President and CEO</p>	<p>Michael H. Covert</p>		
<ul style="list-style-type: none"> ▪ Poway City Council 	<p>Proposed Pomerado site design workshop for input from the City and staff will be held tomorrow evening, June 13. A full board Strategic Planning meeting on June 20 will focus on designs for the PMC site.</p>		
<ul style="list-style-type: none"> ▪ PPHF Executive Director 	<p>Final interviews of candidates for the position of PPHF executive director have been held. A recommendation will be made soon.</p>		
<ul style="list-style-type: none"> ▪ Quarterly Reports from Executive Staff 			
<ul style="list-style-type: none"> ▪ Expert Advisory Panel 	<p>A meeting with the expert advisory panel will be held June 26.</p>		
<ul style="list-style-type: none"> ▪ Gerald Bracht, CAO, PMC 	<ul style="list-style-type: none"> ▪ Patient Satisfaction Trophy Winners January – March: <ul style="list-style-type: none"> ○ Best Overall – Acute Rehab Unit ○ Highest to Goal – Peds/NICU ○ Most Improved – IMC ▪ There was excellent representation by PPH at the recent Escondido Street Fair. There was much interest in renderings of the new facility to be built in Escondido ▪ ACOS survey of the Trauma Dept took place on May 8-9. No deficiencies revealed during verbal 		

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	<p>report. Written report expected in next 30 days</p> <ul style="list-style-type: none"> ▪ College of American Pathologists survey of Laboratories will take place soon. ▪ Gallup's annual physician opinion survey conducted last week. Results expected in early September. ▪ Gallup's annual employee opinion survey will be conducted next week. Goal is 93% participation, which would exceed previous years' participation. Results expected in September. ▪ First Health Forum for Men, June 15, 2006 at CCAE. Exhibits, health screening and keynote address by Bill Griffith, Channel 10 News. 		
<ul style="list-style-type: none"> ▪ Jim Flinn, CAO, Pomerado Hospital 	<ul style="list-style-type: none"> ▪ Customer Service – <ul style="list-style-type: none"> ○ Best Overall – Wound Care ○ Most Improved – Radiology ○ Best Score to Goal – Birth Center ▪ Financial – May Average Daily Census – 75; compared to budget of 72; June – Average Daily Census of 85.5 ▪ Workplace/Workforce Excellence <ul style="list-style-type: none"> ○ Values in Action – Darrel Roe – Engineering Dept. ▪ Construction – OSP and Parking Deck are on schedule. Parking areas are being addressed. City of Poway, Phase Two City Work Shop – June 13. ▪ Pilly Haight installed as new Pomerado Hospital Auxiliary President. 		
<ul style="list-style-type: none"> ▪ Sheila Brown, Clinical Outreach Officer 	<ul style="list-style-type: none"> ▪ Best Overall Patient Loyalty this quarter – Acute Rehab and Wound Care Center 		

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	<ul style="list-style-type: none"> ▪ Budget – Acute Rehab, Skilled Nursing, Wound Care continue to exceed budget year to date. ▪ Lumetra has selected PPH's SNFs to be part of a pilot study to reduce pressure ulcers. ▪ Home Health – Elissa Hamilton contacted by Calif. Assn. for Health Services at Home regarding statewide awards and Board nominations. 		
<ul style="list-style-type: none"> ▪ Lorie Shoemaker, Chief Nurse Executive 	<ul style="list-style-type: none"> ▪ Nursing Division Positions - <ul style="list-style-type: none"> ○ Denise Dunn, Director of Women's Services at PMC; Dr. Debra Woolley, Clinical Nurse Specialist for Birth Center at PMC; Irma Moore, CNS for Med/Surg at PMC; Caroline Etland, CNS, Palliative Care; Lourdes Januszewicz, Nursing Strategies Manager ▪ Pilots for Rapid Response Team rolled out last week with success at both PMC and Pomerado. Plan to roll out to all units in acute care by end of this year. Dr. Cynthia Robertson was thanked for her leadership ▪ In partnership with COPE, enhancements to the medical interpreter services will be made later this month. 20 specially trained volunteer medical interpreters will staff from 11:00 a.m. to 11:00 p.m. ▪ American Nurses Association has selected PPH to contribute to a monograph they are publishing on best practices for pressure ulcer reduction. Using our data, PPH has been able to dramatically improve pressure ulcer rates that sustain improvement. Congratulations to 		

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	PPH nursing staff, Margaret Talley and skin team; Anne Moore and wound care staff.		
<ul style="list-style-type: none"> ▪ Kresge Foundation Grant – Sustainability/Design Workshop 	A sustainability workshop was held last week. The Kresge Foundation has given PPH a grant in the amount of \$50,000 to look at issues associated with sustainability (water, waste management, electrical). Many helpful recommendations were made during the meeting.		
INFORMATION ITEMS	<i>Discussion by exception only</i>		
<ul style="list-style-type: none"> ▪ Human Resources 			
<ul style="list-style-type: none"> ▪ Strategic Planning 			
<ul style="list-style-type: none"> ▪ Community Relations 	Director Larson asked Gustavo Friederichsen to elaborate on our sister hospital partnership with the Biamba Marie Mutombo Hospital in Kinshasa. Gustavo reported that PPH is providing medical supplies and services to the hospital in Kinshasa. PPH is sending a used van to the hospital. He shared that Dikembe has agreed to donate to PPH's "Welcome Home Baby" program and to the capital campaign. KUSI recently ran a spot regarding the "multi million dollar dream becoming a reality".	<p>General Counsel, Paul DeMuro, requested that the donation of surplus equipment be brought to the Board for action at the next meeting.</p> <p>Director Powers requested that the Board be notified when the various PPH website redesigns are launched.</p> <p>Director Larson posed the question of whether there might be opportunities for employees to participate in fund raising and foreign service for the Biamba Marie Mutombo Hospital.</p>	
<ul style="list-style-type: none"> ▪ Finance 			
COMMITTEE REPORTS			
Human Resources			
<ul style="list-style-type: none"> ▪ Amendment to Voting Membership on HR Committee 	Director Bassett stated that the HR Committee has recommended that voting rights on the HR Committee be extended to the CEO. Change over to new committee members in January caused problems with voting on action items. These recommended changes to the HR Committee Board Bylaws were reviewed by the Governance Committee. The Governance Committee suggested that the CEO remain as a non-voting member of the HR Committee due	<p>MOTION: Bassett, 2nd by Larson to amend voting membership on HR Committee to include the CEO.</p> <p>Ayes - Rivera, Bassett, Larson Noes – Krider, Greer, Kleiter</p> <p>Abstained – Powers</p> <p>MOTION DID NOT PASS</p>	

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	<p>to the CEO's close connection with Administration. The HR Committee is requesting that the full Board extend voting rights to the CEO. Director Bassett stated that anything the CEO votes on would still come to the full Board for approval and action. The only possible conflict of interest for the CEO would involve voting on wages and benefit issues for the CEO and there is a special committee set up to review those issues.</p> <p>Director Kleiter expressed his concerns about extending voting rights on the HR Committee to the CEO. He noted that the CEO has voting rights on the Strategic Planning and Finance Committees along with Chiefs of Staff from Palomar and Pomerado. These Committees handle some of the major issues that come before the full Board. Prior to that time the CEO had no voting rights on any of the Board Committees. The CEO makes all the recommendations to all the Committees that come to the full Board. He expressed concern about the CEO voting on his own recommendations. He expressed support for maintaining the current board and voting structure on Board committees. The CEO also serves on the Negotiating Committee with the Union. He serves as the administrative representative on that Committee and then sits on the HR Committee that gets recommendations from the HR Department on the issues on which he votes.</p> <p>Director Krider spoke in regard to Board organization and how work is organized (roles, relationships and responsibilities). Further, he spoke about the role of the Governance Committee and the role of the HR Committee.</p>		

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	<p>Director Powers expressed concern that the CEO would be put into a compromised position if he were to have voting rights on the HR Committee.</p> <p>Director Larson expressed his support of giving the CEO voting rights on the HR Committee, which like the other Board Committees are advisory. He noted that CEO participation on the HR Committee is in line with what the Board has designated the CEO to perform. Final decisions of issues always rest with the full Board, on which the CEO does not have voting rights. A voting right would recognize the CEO's importance and contributions in the area of human resources. He is in support of extending voting rights to the CEO.</p> <p>Director Rivera spoke in regard to the shared governance model at PPH and that the Board works together as a team with the CEO. He spoke in favor of extending voting rights to the CEO on the HR Committee. The Board Committees are advisory to the full Board. He feels that putting the CEO as a voting member on the HR Committee makes sense. He feels there are enough checks and balances in the system to allow for extending voting rights to the CEO.</p>		
Finance			
<ul style="list-style-type: none"> ▪ Medical Director Agreements <ul style="list-style-type: none"> - Diabetes Health Program – A. Conrad, M.D. - Employee/Corporate Health – D. Herip, M.D., M.P.H. 	<p>Director Kleiter, Chairman of the PPH Board Finance Committee requested approval of the Medical Director agreements for Diabetes Health and Employee/Corporate Health.</p>	<p>MOTION: by Kleiter, 2nd by Krider and carried to approve the Medical Director agreements for the Diabetes Health Program – A. Conrad, M.D. and the Employee/Corporate Health – D. Herip, M.D, M.P.H, as presented. All in favor. None opposed.</p>	
<ul style="list-style-type: none"> ▪ Professional & Medical 	<p>Director Kleiter, Chairman of the PPH Board</p>	<p>MOTION: by Kleiter, 2nd by Bassett</p>	

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<p>Director Services Agreement - Radiology Dept – Valley Radiology Consultants Medical Group, Inc.</p>	<p>Finance Committee requested approval of the Professional & Medical Director Services agreement – Radiology Department – Valley Radiology Consultants Medical Group, Inc.</p>	<p>and carried to approve the Professional & Medical Director Services agreement – Radiology Department – Valley Radiology Consultants Medical Group, Inc. All in favor. None opposed.</p>	
<p>▪ Resolutions – Bank & Investment Account Changes</p>	<p>Director Kleiter, Chairman of the PPH Board Finance Committee requested approval of the Resolutions – Bank & Investment Account Changes</p>	<p>MOTION: by Kleiter, 2nd by Rivera and carried to approve the Resolutions – Bank & Investment Account Changes. All in favor. None opposed.</p>	
<p>▪ Independent Citizens' Oversight Committee – Nurse/Physician Member Replacement Applications</p>	<p>Director Kleiter, Chairman of the PPH Board Finance Committee requested approval of the Independent Citizens' Oversight Committee – Nurse/Physician member – George Kung, M.D. and At-Large member – Marguerite Jackson Dill, PhD, RN, FAAN as approved by the Finance Committee.</p>	<p>MOTION: by Kleiter, 2nd by Bassett and carried to ratify the decision of the Finance Committee to appoint George Kung, M.D. and Marguerite Jackson Dill, PhD, RN, FAAN as members of the Independent Citizens' Oversight Committee.</p>	
<p>▪ Report on Special Board Workshop to Approve 2006/2007 Operating and Capital Budgets</p>	<p>Director Kleiter reported on the Special Board Workshop held to approve the 2006/2007 operating and capital budgets. The budgets were approved by the full Board as presented at that meeting. A thank you was extended to Bob Hemker for his presentation which allowed for a decision to be made efficiently at that same meeting.</p> <p>Director Kleiter extended thanks to Bob Hemker and Tanya Howell for providing the financial statistics information cards to the Board members.</p>		
<p>BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH</p>	<p>Director Larson commented that a current issue from the Governance Institute about philanthropy was an excellent and interesting article and he recommended it to the Board. He also stated that he is looking forward to the next steps in philanthropy at PPH.</p>		

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	<p>Director Bassett commented that she would like to see antibacterial gel dispensers placed on every floor at the entrance to elevators for use by staff and visitors.</p> <p>Director Greer expressed thanks and appreciation to employees in the audience who stayed until the completion of the Board meeting.</p>	<p>Michael Covert to follow up on Director Bassett's request.</p>	
<p>SIGNATURES</p> <ul style="list-style-type: none"> ▪ Board Secretary ▪ Assistant to the CEO 	<hr/> <p>Linda C. Greer, R.N.</p> <hr/> <p>Nancy M. Wood</p>		