

Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING
 Palomar Medical Center, Graybill Auditorium, Escondido
 Monday, June 14, 2004

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CLOSED SESSION	5:30 p.m.		
ADJOURNMENT TO OPEN SESSION	6:30 p.m.	No reportable action. (or report any action).	
CALL TO ORDER	6:40 pm Quorum comprised Directors Bassett, Berger, Kleiter, Krider, Larson, Rivera, Scofield		
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 Scofield, 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	1) Judith Lamb, CHUE Labor Union Representative called upon the Board to take immediately action to reverse a "trend" in the certified nursing assistant-to-patient ratio. She stated her concerns on behalf of the CNA's and was bringing the matter to the attention of those who care. The assignment of eight patients per certified nurse assistant is considered a good ratio that ensures quality		

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	<p>patient care and safety. She said numerous meetings to discuss the issue with hospital administration have failed. Ms. Lamb brought to the attention of the Board that last year the ratio reached a level of 12 to 1. She urged the Board to take immediate action.</p> <p>2) Dr. Collette Eastman, member of the Medical Staff at Pomerado Hospital addressed the Board on her concern regarding the contract with Anesthesia Service Medical Group (ASMG). ASMG has been the provider of anesthesia services since the hospital first opened. She states their service has been impeccable. They provide coverage 24/7. She credits ASMG for the success of Pomerado's birth center and it's 5-Star rating.</p> <p>She continued her statement by expressing her disappointment regarding the unprofessional manner in which the contract has been handled. With "sixteen days left until its expiration, no agreement has been reached". Administration has received numerous memos from physicians in support of ASMG, yet no resolution has been achieved.</p>		

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APPROVAL OF MINUTES <ul style="list-style-type: none"> • May 10, 2004 Regular Board Meeting • May 11, 2004 Joint Board Strategic Planning Meeting 		MOTION: by Michael Berger, 2nd by Nancy Bassett and carried that the minutes of the may 10, 2004 Board Meeting; and May 11, 2004, Joint Board Strategic Planning meeting be approved as submitted. None opposed.	
CONSENT AGENDA	<p>Items listed on the consent agenda were unanimously approved with the exception of the Pension Plan Amendment as noted.</p> <p>The Pension Plan Amendment was removed from the consent items for a brief comment from Chairman Larson, who noted a revision was made to the narrative. The revision was informational only and did not change the legal framework of the amendment. The Amendment went on to be approved by the Board.</p>	<p>MOTION: by Director Rivera, 2nd by Berger and carried unanimously to approve the Consent Agenda with the exception of the Pension Plan Amendment as stated.</p> <p>MOTION: (Pension Plan Amendment), by Director Berger, 2nd by Krider, and carried unanimously to approve. None opposed.</p>	
PRESENTATION			
<ul style="list-style-type: none"> ▪ PPH IntraNet Update 	<p>On behalf of the Marketing & Communication department, Tamara Hemmerly updated the Board on the first phase of the development of the intranet for PPH staff. She shared with the Board several features of the new site, including but not limited to a leadership link, newsletters, service excellence information, and benefit information, employee events. Also available will be more visual effects and presentations. It will provide a one-stop shopping service for all employees, to include I.T. links, access to forms, policies and procedures. Will begin going live this week.</p>		

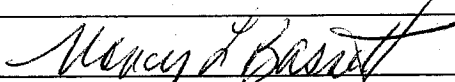
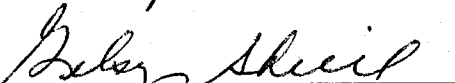
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REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing ▪ Department of Surgery Rules & Regulations ▪ Department of Anesthesia Rules & Regulations 	<p>James S. Otoshi, M.D., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations.</p> <p>On April 26, 2004 the Executive Committee for Palomar Medical Center approved modifications to the Department of Surgery Rules & Regulations and have forwarded their recommendations to the Board for approval.</p> <p>On April 26, 2004 the Executive Committee for Palomar Medical Center approved modifications to the Department of Anesthesia Rules & Regulations and have forwarded their recommendations to the Board for approval.</p>	<p>MOTION: by Scofield, 2nd by Bassett and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations as presented. None opposed.</p> <p>MOTION: by Scofield, 2nd by Kleiter and carried to approve the modifications to the Dept. of Surgery Rules & Regulation. None opposed.</p> <p>MOTION: by Krider, 2nd by Bassett and carried to approve the PMC Medical Staff Executive Committee modifications to the Department of Anesthesia Rules & Regulations. None opposed.</p> <p>Directors Larson and Rivera abstained to avoid potential conflict of interest.</p>	
Escondido Surgery Center			
<ul style="list-style-type: none"> ▪ Medical Staff Recommendations 	<p>James S. Otoshi, M.D., on behalf of L. Richard Greenstein, M.D., Medical Director of the Escondido Surgery Center, presented requests for approval of Credentialing Recommendations.</p>	<p>MOTION: by Scofield, 2nd by Bassett and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the Escondido Surgery Center, as presented. None opposed.</p> <p>Directors Larson and Rivera abstained to avoid potential conflict of interest.</p>	
Pomerado Hospital			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>Alan J. Conrad, M.D., Chief of Pomerado Hospital, presented Pomerado Hospital's</p>	<p>MOTION: by Kleiter, 2nd by Scofield, and carried to approve the</p>	

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	requests for approval of Credentialing Recommendations.	<p>Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented. None opposed.</p> <p>Directors Larson and Rivera abstained to avoid potential conflict of interest.</p>	
Administrative			
Chairperson - Palomar Pomerado Health Foundation	<p>Dr. Douglas Moir thanked all who attended the Foundation's Annual Meeting, June 9, 2004, at the Center for the Arts. Dr. Moir announced the installation of officers for 2004 – 2005:</p> <ul style="list-style-type: none"> • Doug Moir, M.D. – Chairman • Bob Crouch – Vice Chairman • Karen Black – Secretary • Lori Holt-Pfeiler – Treasurer <p>Also inducted into membership are two new directors:</p> <ul style="list-style-type: none"> • Jim Hernandez, local architect & community leader from San Marcos • Dr. Cynthia Robertson, POM physician/Internal Medicine <p>Growth in donations from 1999, raised \$628,494 in general contributions & event revenue; to 2003, raised \$6.5 million in general contributions, events, & planned gifts. To date, confirmed contributions are \$7.1M.</p> <p>Growth in distribution back to PPH since 1999, total is \$354,000. In 2003, contributions back to PPH totaled \$1.2M.</p> <p>"Volunteer Roundup" event, for all volunteer leaders of PPH & PPHF, is scheduled for July 24, 2004 at the Lake Wohford area ranch of Arie De Jong. The event will be from 4pm to 7pm.</p>		

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<p>Chairman of the Board - Palomar Pomerado Health</p>	<p>Alan W. Larson, presented proposal Resolution 06.14.04(01)-4 amending the date and location of the July 12, 2004 Board of Directors meeting. The new date will be July 13, 2004 and the location will be Palomar Medical Center, Graybill Auditorium.</p> <p>Audit Committee Appointments: As a committee of the Board of Directors of PPH the Audit Committee was formed to oversee the integrity of PPH's financial statements, compliance with legal and regulatory requirements, and performance of internal audit functions. The following are appointments to the committee:</p> <ul style="list-style-type: none"> ▪ T.E. Kleiter – Chairman ▪ Marcelo Rivera – Treasurer ▪ Bruce Krider – Director ▪ Robert Trifunovic, M.D. ▪ Lachlan Macleary, Jr., M.D. 	<p>MOTION: by Berger, 2nd by Bassett, and carried unanimously to approve the amended date and location of the July 12, 2004 Board of Directors meeting to July 13, 2004.</p>	
<p>President and CEO</p>	<p>Michael H. Covert, FACHE</p>		
<p>INFORMATION ITEMS</p>			
<ul style="list-style-type: none"> ▪ June 2004 Values in Action 	<p>Michael Covert reported that Fay Morales, Innovation, Patient Business Services had received the June Values in Action Award. Her Supervisor Cindi Burns attended the presentation and commented that this is the second individual from Business Services to receive this award. Fay was congratulated and presented with a check by Chairman Larson.</p>		
<ul style="list-style-type: none"> ▪ Organizational Changes 	<p>Michael Covert commented on the recent organizational changes and acknowledged, Loraine Wiencek, Lori Wells, and Gil Taylor for their outstanding contributions to PPH and wished them well as they move forward to other activities. Mr. Covert went on to response to the public comments made at the beginning of the meeting.</p> <p>Bob Hemker was then presented with a 3-year anniversary pin.</p>		

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<ul style="list-style-type: none"> ▪ Reports from EMT 	<p><u>Sheila Brown, Chief Clinical Outreach Officer,</u> reported on recent activities in Behavioral Health, Home Care, Acute Rehab Program & Employee Corporate Health, & SNF programs.</p> <ul style="list-style-type: none"> ▪ Home Care is performing better than the national average on all of the 11 categories benchmarked. ▪ Acute Rehab: Working on a strategy to get the word out to referral sources so as to increase potential admits. ▪ Employee & Corporate Health: Innovation in management of Worker's Comp cost for PPH has contributed to the reduction in claims paid expenses. The greatest challenge is the inability to utilize software at the new Poway office. Delays in hardware upgrades and phone lines have limited the ability to effectively market programs. ▪ SNF's: SNF's are the second most regulated industry, yet ours continue to have successful DHS and JCAHO surveys. The challenge is staffing & new regulations. <p><u>Jim Flinn, Chief Administrative Officer,</u> reported on activities at Pomerado Hospital.</p> <ul style="list-style-type: none"> ▪ Key challenge is keeping the appropriate staffing levels. ▪ Renovation of 2nd floor. Down to 8 beds from 16. Project will be complete in July. ▪ Two outstanding events; 1) Joslyn Center Community Walk; 2) Gallup results for Pomerado Hospital – the ER rated 92% in overall patient satisfaction. ▪ Facility parking issue, intermediate solution to the parking issue is an 		

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	<p>agreement to use the parking lot at the church, adjacent to the hospital.</p> <ul style="list-style-type: none"> ▪ Catering: new healthy choice menu is being created. ▪ July 26, Pomerado Employee Town Hall meeting. <p><u>Gerald Bracht, Chief Administrative Officer,</u> Palomar Medical Center reported briefing on the following:</p> <ul style="list-style-type: none"> ▪ Rapid Medical Response (RME) is now taking place in the ER. The overall feedback by customers has been positive. RME reduces wait time in the ER. ▪ Telemedicine research study being conducted on stroke patients at PMC. Observation of patients in the ER, with a link to 2 physicians at UCSD who access and monitor patients prior to calling in a neurologist. This is a 5-year grant process. 		
COMMITTEE REPORTS	None except under Consent Items		
BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH	<ul style="list-style-type: none"> • Dr. Berger announced he has moved his primary residence to Valley Center. • Director Scofield encouraged attendance at the AHA Leadership Summit at the San Diego Marriott Hotel & Marina, July 25, 2004. 		
ADJOURNMENT TO CLOSED SESSION (if any)	None		
OPEN SESSION RESUMES/FINAL ADJOURNMENT	8:10 P.M.		

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SIGNATURES <ul style="list-style-type: none"> <li data-bbox="268 212 508 240">▪ Board Secretary <li data-bbox="268 331 508 358">▪ Board Assistant 	<div style="text-align: center;">  <hr/> Nancy L. Bassett, R.N., M.B.A. </div> <div style="text-align: center;">  <hr/> Gelsy Shiell </div>		