

Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING
Pomerado Hospital, Meeting Room E, Poway
Monday, September 12, 2005

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:35 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</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		
DEVASTATION OF HURRICANE KATRINA	Chairman Rivera called for a one minute silence following the recent devastation caused to life and property by Hurricane Katrina in New Orleans, Louisiana and surrounding areas and states.		
PUBLIC COMMENTS	Two public comments were received as follows:		
<ul style="list-style-type: none"> • Mr. Robroy Fawcett Development Agreement 	Mr. Robroy Fawcett of Escondido, representing himself, distributed an informational leaflet to the Board, and referred to the Development Agreement for Palomar Medical Center between PPH and JRM (developer), and para. 4.2.6 regarding the		

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	<p>exercise of the Option to Purchase dated March 18, 2005, which he felt appeared to grant JRM the right to build 300,000 square feet along with associated structures at the proposed new ERTC site. From what he had read in the newspapers he understood that we had not reached agreement. He continued that March 18, 2005 was the date of the Agreement, with a termination clause of thirty days beyond that which would be April 17, 2005 when either party has the right to terminate, and questioned JRM in terms of such an option, noting that he understood the close of escrow was to be January, 2006 which appeared to be an unnecessary delay.</p> <p>He referred to a Special Board Meeting held June 28, 2005 during which apparently no action was taken, and requested that he be advised when such agreement is reached.</p> <p>Mr. Fawcett commented that the Facilities Master Plan appeared to have shorted PMC of 100,000 square feet of conformant space, noting that he had e-mailed everyone in this regard, but no-one wished to acknowledge this. He felt the size of Palomar Medical Center in the Facilities Master Plan must be clarified before PPH dismantles our hospital at the current PMC site.</p> <p>On behalf of the Board, Mr. Fawcett was thanked by Chairman Rivera for his comments.</p>		
<ul style="list-style-type: none"> • Stuart N. Graham, M.D. Center for HealthCare – Pomerado campus 	<p>Stuart N. Graham, MD, President of the Centre for HealthCare, addressed the Board regarding their medical office move to Pacific Medical Building on the campus of Pomerado Hospital, noting that they are very close to completion of the lease with PMB and looked forward to a long-term association with PPH.</p>		

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	Chairman Rivera responded that the Centre for HealthCare has a well-trained group of approximately thirty physicians within the community, and that this is another example of Administration and Staff working in cooperation to achieve such a joint venture at Pomerado. He thanked Dr. Graham for attending the meeting and addressing the Board.		
APPROVAL OF MINUTES <ul style="list-style-type: none"> • Regular Board Meeting – August 15, 2005 		MOTION: by Scofield, 2 nd by Krider and carried to approve the minutes of the Regular meeting of August 15, 2005, as submitted. All in favor. None opposed.	
APPROVAL OF AGENDA to accept the Consent Items as listed including Group Purchasing Organization (GPO) Affiliation; Physician Recruitment Agreement with Josue Leon, M.D., and Escondido OB/GYN; and Professional & Medical Director Services Agreement with Valley Pathology Medical Associates, Inc.		MOTION: by Kleiter, 2 nd by Bassett and carried to approve the Consent Items as submitted. All in favor. None opposed.	
PRESENTATION			
4th Qtr/Annual Compliance Report	Mr. Jim Neal, Compliance Officer, presented to the Board via handouts, a review of the 4 th Quarter/Annual Compliance Report. He noted that all compliance aspects were falling into place and training was being undertaken at the Department level.	The Board thanked Mr. Neal for his excellent and detailed report.	
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	Robert Trifunovic, MD., on behalf of James S. Otoshi, MD., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations.	MOTION: by Scofield, 2 nd by Bassett and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the PMC Medical Staff, as presented. None opposed.	

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		Director Larson abstained to avoid potential conflict of interest. Director Greer declined to vote.	
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.	<p>MOTION: by Bassett, 2nd by Scofield and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the Escondido Surgery Center, as presented. None opposed.</p> <p>Director Larson abstained to avoid potential conflict of interest. Director Greer declined to vote.</p>	
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.	<p>MOTION: by Scofield, 2nd by Bassett and carried to approve the Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented. None opposed.</p> <p>Director Larson abstained to avoid potential conflict of interest. Director Greer declined to vote.</p>	
Administrative			
Chairperson - Palomar Pomerado Health Foundation	<p>On behalf of Ms Pauline Getz, PPHF Chairperson, Mr. Bob Wells presented highlights on the Foundation's recent activities. Chairman Rivera welcomed Mr. Wells as a local businessman and appreciated his time.</p> <p>Mr. Wells reported that the "Swing For Health" golf tournament check presentation was made September 7 when Marti Hale presented Dr. Leahy with a mock big check for \$160,000 raised from the tournament to</p>	Informational	

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	<p>support the Cardiac Alert Program.</p> <p>He further stated that Foundation staff were currently working with Gerald Bracht, Dr. Moir and Lorie Shoemaker on two separate proposals for interested donors – one for Cardiology, and one for Nursing activities.</p> <p>In addition, Marilyn Johnson and various members of the Nominating Committee had met with four potential new Board members the previous week. The Foundation Board would vote on new members at their September 22 Board meeting.</p> <p>All were asked to “save the date” of Thursday, December 15 from 5 pm – 7 pm as the Foundation was hosting a Holiday Party at donor Martha Norman’s home in Pauma Valley during which Michael Covert would provide a brief update on the expansion plan. “Save the date” cards to be mailed next week.</p> <p>The Foundation will host the Escondido Rotary luncheon on September 13 when Dr. Moir and Marilyn Johnson will share information on Foundation activities.</p> <p>The Foundation Staff was finalizing the search for a Director of Business Operations with interviews having taken place that morning. A second round for finalist candidates would occur the following week.</p>	<p>Chairman Rivera thanked Mr. Wells for his update and appreciated his time in the meeting.</p>	
<p>Chairman of the Board – Palomar Pomerado Health</p>	<p>Chairman Marcelo R. Rivera, MD</p>		
<p>ERTC site/Downtown campus - City of Escondido</p>	<p>Chairman Rivera referred to the two items held in Closed Session at the prior Special Board Meeting that evening, and read out to the audience those items as stated on that agenda as follows:</p>	<p>Informational</p>	

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	<p>1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS - <i>pursuant to Government Code Section 54956.8</i></p> <p>Property: Escondido Research & Technology Site (ERTC) Agency Negotiators: Bob Hemker, CFO, PPH Negotiating Parties: James McCann and Bob Hemker Under Negotiation: Instruction to Negotiator will concern price and terms</p> <p>2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS <i>pursuant to Government Code Section 54956.8</i></p> <p>Property: That certain portion of Valley Boulevard between East Grand Avenue and Hickory Street and the associated right of way, and the 600 East Block of East Pennsylvania Avenue, located between East Valley Parkway and North Fig Street and the associated right of way Agency Negotiators: Bob Hemker, CFO, PPH Negotiating Parties: City of Escondido and PPH Under Negotiation: Instruction to Negotiator will concern price and terms</p> <p>Chairman Rivera relayed for information that the Board had asked our negotiators to continue in positive negotiations with the City of Escondido.</p>		

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<ul style="list-style-type: none"> Resolution No. 09.12.05(01)-17 Requesting Amendment to change the Regular Meeting of the Board of Directors from October 10 to October 17, 2005 	<p>Chairman Rivera explained his need for personal reasons, to change the date of the regular Board Meeting from October 10 to October 17 if possible, and requested the Board's understanding in the matter.</p>	<p>MOTION: by Kleiter, 2nd by Scofield and carried to approve Resolution No. 09.12.05(01)-17 Requesting Amendment to change the Regular Meeting of the Board of Directors from October 10 to October 17, 2005.</p> <p>Director Greer noted with regret that she would not be here to attend October 17.</p> <p>There being no further comments, all in favor. None opposed.</p> <p>Chairman Rivera sincerely appreciated the Board's flexibility.</p>	<p>Regular Board Meeting date change from October 10, 2005 to October 17, 2005 to be noted by all.</p> <p>This date change to be notified by Board Assistant including the press/public.</p>
<ul style="list-style-type: none"> Board Retreat 	<p>Chairman Rivera referred to the upcoming Annual Conference on Healthcare Design and PPH Board Retreat to be held Nov 6-9, 2005. He noted that the Conference on Healthcare Design was a leading non-profit organization with professionals from all over the world, and it was hoped that most Board members would be able to attend.</p>		
<ul style="list-style-type: none"> "Swing For Health" Golf Tournament 	<p>Chairman Rivera wished to again sincerely thank Mr. Bob Wells, the Foundation Staff, Marti Hale and Ted Odmark for organizing the Golf Tournament which raised \$160,000. This money would support the Cardiac Alert program and cover all outlying areas.</p>		
<p>President and CEO</p>	<p>Michael H. Covert, FACHE</p>		
<ul style="list-style-type: none"> JCAHO Survey 	<p>Michael Covert acknowledged the leadership of our Administrative Team regarding the JCAHO survey process undertaken earlier this year, noting that we had now received confirmation of our accreditation in writing, including the selection by JCAHO of PPH for their "tracer" methodology which was very unusual and encouraging as we continue</p>		

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	<p>accreditation over the next few years.</p> <p>Mr. Covert thanked our Medical Staffs and all Staff involved throughout PPH in attaining this high standard of accreditation. Follow-up would continue through the Board Quality Review Committee, etc.</p>		
<ul style="list-style-type: none"> • Stuart N. Graham, MD Centre for HealthCare 	<p>Mr. Covert thanked Dr. Graham for the cooperation extended between the Centre for HealthCare, Jim Flinn, Chief Administrative Officer of Pomerado Hospital and Bob Hemker, CFO and the excellent support by the City of Poway. PPH looked forward to growing with the CHC and thanked Dr. Graham for his time that evening.</p>		
<ul style="list-style-type: none"> • MSA update between PPH and PPHF 	<p>It was reported we were close to finalizing our Management Services Agreement (MSA) between PPH and the Foundation, and anticipated there being a document for submission through the October Finance Committee and thence to the Board.</p>		
<ul style="list-style-type: none"> • PPHF and PPH Board Committee representation 	<p>Mr. Covert announced interest on the part of the Foundation's Executive Committee for potential Foundation representation on PPH Board Committees and which he would discuss with Dr. Rivera and Ms Pauline Getz, with the intention of bringing this item to the PPH Governance Committee, noting that some Foundation members had served on our PPH Board Committees.</p>		
<ul style="list-style-type: none"> • Recruitment for Foundation Director 	<p>Michael Covert relayed that Ms Pauline Getz, Mr. Harold Dokmo, Dr. Steahly, Mr. Bob Crouch, PPH Director Bruce Krider, PPH Director Alan Larson and he comprised the Search Committee, noting that recommendation would be made to the Board.</p>		
<ul style="list-style-type: none"> • Acknowledgements 4th Qtr/FY05 Patient Loyalty; Employee Engagement 	<p>Michael Covert acknowledged Ann Koenke of PMC Rehab, Nancy Ravelo of PMC Med Oncology, and Pam Hoppie of PMC Observation Unit; together with Ann Moore of Pomerado Wound Care Center, Gloria Austria, Pomerado Outpatient Lab, and Terri Scherl of Pomerado Birth Center.</p>		

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	<p>Congratulations also to the Medical Oncology team at PMC for earning "Highest to Goal" score for patient loyalty with best Support Department being Sterile Processing. Pomerado Lab was acknowledged for maintaining the Most Improved Score with best Support Department being Pomerado ED.</p> <p>Pomerado Hospital's Birth Center achieved "Highest to Goal" Patient Loyalty Award and chose FANS as their Support Department.</p>		
<ul style="list-style-type: none"> • Physician Engagement 	<p>Results to be presented to Human Resources Committee Tuesday, September 13 and to Strategic Planning Committee, but would initially be visited with our Medical Staffs, and shared with the Board. Results would also be conveyed through the Quality Review Committee.</p>		
<ul style="list-style-type: none"> • Innovation Week of Aug 15 	<p>Michael Covert informed that the Executive Management Team and groups from each of the respective institutions spent the entire week of August 15 at an "innovation week" to which the Board was invited.</p> <p>The process involved listening to our Champion Teams regarding PPH's Facilities Master Plan with the results being reported out through the Strategic Planning Committee and Centre for Health Design, noting that Carrie Frederick, Ruth Szakaly and Marcia Jackson had been asked to make presentations for the Centre. He continued that many good things were happening in future hospital design. We were on the cutting edge and making good progress.</p>		
<ul style="list-style-type: none"> • New hospital site location 	<p>The CEO reported we would continue to meet with City of Escondido Staff per the Board's request regarding the downtown campus development agreement, and the ERTC development agreement, and looked forward to a further update next month.</p>		

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<ul style="list-style-type: none"> • Mr. Steve Gold, Administrator SNF Services (PCCC and Villa Pomerado) 	<p>Ms Sheila Brown welcomed Mr. Steve Gold as the new Administrator for SNF Services for PCCC and Villa Pomerado.</p> <p>Mr. Covert was very proud that Mr. Gold had agreed to join PPH, noting that he had been nationally recognized at Centara, Virginia where he had put together a special program. We will expect a lot of him as we continue to grow our programs.</p>		
<ul style="list-style-type: none"> • Mr. Wallie George, Chief Human Resource Officer 	<p>Mr. Covert sincerely welcomed Mr. Wallie George, the new Chief Human Resource Officer who had been the Regional leader for CHC Partners in Ohio, and formerly CHRO in Sarasota, Florida. He looked forward to working with Mr. George, and wished to acknowledge Ms Brenda Turner for all her work during this interim period.</p> <p>He noted that we now have a good HR team. Mr. George thanked Mr. Covert for his remarks.</p>		
<ul style="list-style-type: none"> • Mr. Stonish Pierce, Administrative Fellow 	<p>The CEO then introduced Mr. Stonish Pierce, PPH Administrative Fellow/Intern. Mr. Pierce was a graduate of USC and would work closely under Mr. Covert for the next year. He had been asked to spend time with Board Members and to attend the various Board Committee meetings etc.</p>		
<ul style="list-style-type: none"> • Hurricane Katrina 	<p>Mr. Covert introduced Ms Tina Pope and Mr. Andy Hoang, noting that Tina was helping to coordinate local efforts in response to Hurricane Katrina and that Andy was assisting in coordination of national efforts.</p> <p>In response to how PPH could help, our mission was going to spread beyond our 800 square miles.</p> <p>Ms Sarah Gordon of Pomerado's Med/Surg would, on Wednesday, September 13, leave for Jackson, Mississippi and travel on to Natchez</p>		

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	<p>County where she will spend two weeks working with a local nursing school treating thousands of people who did not have access to medical care and where the American Red Cross was unavailable. This had been made possible by "International Relief Teams". They will also be sending more teams earliest September 27 when Sarah returns. She will send Andy Hoang a daily journal and be visited on the website.</p> <p>e-mail and HotNews updates would be provided to PPH and information was available from the American Heart Association, the Healthcare Association of San Diego & Imperial Counties, with local help through the American Red Cross.</p> <p>Mr. Covert stated that all of the area hospitals were participating, but it was a major process.</p> <p>Tina Pope explained that she is a National Responder for the American Red Cross and worked at a local center with seven different families over the Labor Day weekend. The devastation was incredible and we have an estimated 2,000 evacuees in this area. She continued that she is maintaining a list of volunteers requesting training amounting to 5-10 people per day, noting that we can be a valuable resource locally.</p> <p>Mr. Covert announced that donated pto would be available to assist volunteer staff, and donations may also be made through the Foundation earmarked for the Red Cross, etc.</p> <p>He then referred to the tragic events of 9-11, the October, 2003 fires in the San Diego area, and Hurricane Katrina. This was what made health workers great as they always rose to the occasion, and it emphasized the spirit of</p>		

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	<p>America. We would make a meaningful contribution, as that was what PPH is all about. Ms Tina Pope and Mr. Andy Hoang were each thanked by Chairman Rivera for their efforts in this tragic situation.</p>		
INFORMATION ITEMS	<i>Discussion by exception only</i>		
<ul style="list-style-type: none"> ▪ Human Resources 			
<ul style="list-style-type: none"> ▪ Joint BOD/Strategic Planning 			
<ul style="list-style-type: none"> ▪ Finance 			
COMMITTEE REPORTS			
Finance	<i>Approved under Agenda Item V (Consent Items)</i>		
BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH	<p>Director Krider wished all to understand how significant it was that PPH had been selected as one of the 25 hospitals to teach the JCAHO to undertake a survey and felt that our Staff deserved a real hand of acknowledgement for this (applause).</p> <p>Director Bassett sincerely thanked the Board for their get-well gesture of flowers recently received.</p> <p>Director Greer thanked Ms Brenda Turner for handling the Human Resource Department until a CHRO was appointed.</p> <p>Director Larson stated that he was proud of what PPH was doing concerning the help being provided in the aftermath of Hurricane Katrina.</p> <p>Director Kleiter referred to a funeral he had recently attended of a lady who had been with the educational system in Escondido, stating that her husband had asked Director Kleiter to sincerely thank the nurses on the 6th Floor at PMC for their compassionate care provided to this lady.</p>		

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	<p>Chairman Rivera commented that he looked forward to working with Mr. Wallie George and Human Resources as there were some matters that required attention.</p> <p>Chairman Rivera then welcomed Mr. Steve Gold, Director of SNF Services, noting the tragic situation that had occurred in a nursing home during the Louisiana hurricane devastation, and that it was important to have someone in charge who can make good decisions immediately, particularly in a crisis.</p> <p>Chairman Rivera also welcomed Mr. Stonish Pierce, Administrative Fellow, noting that it was a particularly interesting time for him to be with PPH due to our Master Facilities Plan and that he could learn a great deal from Mr. Covert, our Hospitals, Departments, and Medical Staffs.</p> <p>Chairman Rivera again thanked the Board for agreeing to his request to change the next regular board meeting date from October 10 to October 17, 2005 at Palomar Medical Center, Graybill Auditorium. The 6:30 pm start time would remain the same.</p>		
ADJOURNMENT	7:45 p.m.	MOTION: by Kleiter, 2 nd by Rivera and carried that the meeting be adjourned.	
SIGNATURES	<ul style="list-style-type: none"> ▪ Board Secretary <hr/> <p>Nancy H. Scofield</p> <ul style="list-style-type: none"> ▪ Board Assistant <hr/> <p>Christine D. Meaney</p>		

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PASTORAL CARE-CHAPLAINCY

Chaplain Dr. David M. "Chappy" Walden



**Palomar Pomerado Health
Board of Directors
Monday, September 12, 2005
Dr David M Walden – Chaplain – Pomerado Hospital**

Recitation **Love Never Fails**

Goodness and acts of kindness energizes the soul. The whole person becomes aflame with passion for the needs of others. Self-love is turned outward to selfless love. Love suffers long and is kind; love does not envy, love does not parade itself, does not sing it's own praises, does not seek it's own acclamation and love thinks no evil. Love is slow to anger and quick to listen. It hopes and endures all things ... even when outward circumstances would suggest otherwise.

The reports given to us by our major networks do not demonstrate the character and compassion of this mighty nation. A nation of Americans who are putting their faith into action and not just by words ... but by acts of love.

Goodness and acts of kindness are being reported through personal testimonies whose souls have been energized. The churches and parishes, synagogues and mosques, Red Cross - Kwanis - Rotaries and thousands of families have come together in a common goal of love that is ablaze ... with passion towards others ... who are Americans, who are our fellow citizens ... who are our neighbors. As the 1828 hymn "From Every Stormy Wind That Blows, song writer Hugh Stowell penned these treasured words:

**From every stormy wind that blows, From every swelling tide of woes,
There is a calm, a sure retreat – Tis found beneath the mercy seat
There is a scene where spirits blend,
Where friend hold fellowship with friend
The sundered far, by faith they meet – Around one common
mercy seat.**

Love bears all things, believes all things, hopes all things, endures all things.

LOVE never fails.