

**Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING**

Pomerado Hospital, Poway
Monday, September 13, 2004

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:30 pm Quorum comprised Directors Bassett, Berger, Kleiter, Krider, Larson , and Scofield. Regrets from Director Rivera.		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison, followed by an inspirational reading by Chaplain Walden (attached).	Chairman Larson thanked the Chaplain for his recitation.	
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	<ul style="list-style-type: none"> • Sue Phillips, PMC CCU <p>Sue Phillips submitted a public request to speak. She relayed that she had been a CCU Nurse for 7 years at PMC and employee of PPH for 8 years. She represented CHEU and C N A and provided an update to the Board, relaying activities to date.</p> <p>She referred to the recent C N A survey noting that effective communication, appropriate staffing, and the nursing decision-making process are important in addition to a</p>	Chairman Larson and the CEO responded that PPH is moving forward with long term benefits and will continue to work through these matters.	

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	<p>comprehensive retirement plan. They appreciated the educational opportunities and value of each employee by PPH and the negotiations regarding healthcare benefits over the last six months. They also negotiated for a new partial payment retirement health benefit until the age of 65 to enable nurses to build a career at PPH. Over 200 nurses had been recruited, and turnover was down from 20% to 7% and would work to reduce this further.</p> <p>Opportunities for the Clinical ladder system and continuing to work toward Magnet status were appreciated. Ms Phillips also hoped that a possible future Calpers pension plan would attract employees at all levels.</p> <p>Ms Phillips thanked the Board for allowing her to present this report.</p>		

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APPROVAL OF MINUTES			
<ul style="list-style-type: none"> • August 9, 2004 Regular; July 12, 2004 Joint Board Strategic Planning; January 21, 2004 Special; August 7, 2003 Special 		MOTION: by Bassett, 2 nd by Kleiter and carried that the minutes of the August 9, 2004; July 12, 2004; January 21, 2004; and August 7, 2003 Board Meetings be approved as submitted.	
CONSENT ITEMS, including Finance Committee Medical Director and Professional Services Agreements; Implementation of Consolidation of Behavioral Medicine Programs to PMC by July 1, 2005 deadline; and Strategic Planning Committee FY '05 System-Wide Goals	Consent Items also included: Approval of Finance Committee Medical Director and Professional Services Agreements for: a. Timothy S. Bailey, M.D. – PPH Diabetes Health Program, Aug 1, 2004 – Jul 31, 2005 (1 year); and b. X-Ray Medical Group Radiation Oncology, Inc. (XRO) – PMC Jul 1, 1004 – Jun 30, 2007 (3 years); c. Consolidation of PMC & Pomerado Behavioral Medicine Programs to PMC by July 1, 2005 deadline; d. Strategic Planning Committee FY '05 System-Wide Goals	MOTION: by Kleiter, 2 nd by Bassett and carried unanimously to approve the Consent Items as submitted.	
PRESENTATION	Requested by Lupe Fierro and agreed to move this item down the agenda as presenter had not arrived.		
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	James S. Otoshi, MD., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations.	MOTION: by Scofield, 2 nd by Kleiter and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the PMC Medical Staff, as presented. None opposed. Directors Larson and Rivera abstained to avoid potential conflict of interest.	

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<ul style="list-style-type: none"> ▪ Department of Anesthesia Rules and Regulations 	<p>James S. Otoshi, MD., Chief of PMC Medical Staff, presented PMC's Department of Anesthesia Rules and Regulations, Policy for Anesthesia Privileges. It was noted that the apparent blank date in para. 1 of the August 26, 2004 Memo (p. 141 of board packet) was to be the date of Board approval.</p> <p>Discussion ensued following the attempted motion, with a statement that this would be referred back to the Department of Anesthesia. Director Krider said he would prefer that there be some quantitative measure on this and would be interested in our attorney's input. Director Bassett noted that it would also be good to see outcomes.</p> <p>Dr. Otoshi proposed withdrawing the matter to take it back to the medical staff committee. Director Kleiter asked if this policy is to apply to those currently existing, and whether new physicians are required to be Board certified. Dr. Otoshi responded that anyone who currently has privileges in pain management does not need to go back for privileges, agreeing with Director Berger's input that there should be criteria for re-certification or re-appointment.</p> <p>Director Berger asked if all pain management had to be channeled through the Department of Anesthesia, or whether there are physicians elsewhere on the medical staff currently practicing pain management who had been given privileges.</p> <p>Dr. Greenstein responded that this was intended only for Anesthesiologists, therefore there should be inter-departmental pain management regulations for each department. Dr. Otoshi noted that pain management has</p>	<p>MOTION: by Scofield, 2nd by Kleiter, but interjected by a question as to whether members of the medical staff currently practicing pain management with an extensive history would be "grandfathered in".</p> <p>Following discussion as recorded, the motion was withdrawn to allow further consideration by the PMC Medical Staff Committee to review uniformity.</p> <p>Dr. Berger felt that the Board was basically in favor, but needed to see uniformity.</p>	<p>Item withdrawn for further consideration by PMC Medical Staff.</p>

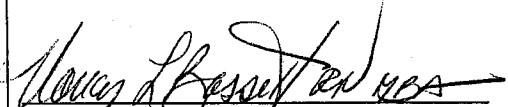

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	<p>normally been done by the Anesthesiologists but in future it is possible that those from other disciplines such as Internal Medicine could have pain management privileges.</p> <p>Director Krider stated that in his experience, if such special privileges were needed, they would have to go through the Department of Anesthesia.</p>		
Escondido Surgery Center			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>L. Richard Greenstein, MD., Medical Director of the Escondido Surgery Center, presented requests for approval of Credentialing Recommendations.</p>	<p>MOTION: by Kleiter, 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, MD., Chief of Pomerado Medical Staff, presented Pomerado Hospital's requests for approval of Credentialing Recommendations.</p>	<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>Directors Larson and Rivera abstained to avoid potential conflict of interest.</p>	
PRESENTATION			
<ul style="list-style-type: none"> • Health Care Advisory Councils (HCACs) Update PPH Committee Report on Alcohol, Tobacco & Other Drugs (ATOD) 	<p>Mr. Jack Rogers, a resident of Poway, was introduced by Lupe Fierro, noting that his background included being on the County Board of Supervisors' Health Committee. Mr. Rogers then provided a verbal report to the Board by means of overheads (copy attached). Vision, Goals, Progress and Challenges were highlighted, noting 2004 Outcomes including</p>		

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	<p>Regional Representation; Work Plan; Mini Life Lesson (Alcohol: Truth & Consequence); PPH Web Links and Poway Candidates Forum, as well as 2005 Goals including Convening a Leadership Roundtable, Publishing a Regional ATOD Report, Increasing Program/Community Policies/Education/Awareness and Identifying physicians with ATOD expertise. Mr. Rogers was thanked for his informative report and for the excellent work that he undertakes in this regard in the community.</p>		
Administrative			
Chairperson - Palomar Pomerado Health Foundation	<p>On behalf of Dr. Moir, PPHF Chairperson, Mr. Bob Croft provided a verbal update to the Board on Foundation activities. Mr. and Mrs. Fauber of Escondido had generously donated \$150,000 which will be used for the upcoming Center of Excellence in Cardiology which will be unveiled soon. Mr. Fauber is the former CEO of K-Mart.</p> <p>Hundreds of Community Conversations have been convened with great participation regarding the upcoming bond issue.</p> <p>EDI had been hired to produce a feasibility study and fund-raising effort in support of the healthcare system with anticipated completion by December 15, 2004, noting that the success of our efforts will depend on a well organized effort combining board members, physicians, and staff actively engaged in this solicitation process for the upcoming capital campaign.</p>		

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Chairman of the Board - Palomar Pomerado Health	Alan W. Larson, MD., Chairman		
<ul style="list-style-type: none"> Facilities & Grounds Committee Board Membership 	<p>Chairman Larson relayed that the former members of the ad hoc Architectural Committee who had prior experience in relevant architectural/construction and financial aspects, have been appointed to the recently created Facilities and Grounds Board Committee. The Committee members were noted as follows:</p> <p>Bruce Krider (Chairperson) T. E. Kleiter Marcelo Rivera, MD</p>		
<ul style="list-style-type: none"> LAFCO Nomination 	<p>Chairman Larson stated that on behalf of the Board he had nominated Director Scofield to the LAFCO (San Diego Local Agency Formation Commission) Board of Directors, noting Director Scofield's many years of service as a senior board member, and that she would make an outstanding contribution to the LAFCO Board.</p>		
President and CEO	Michael Covert, CEO		
<ul style="list-style-type: none"> 3rd Qtr Leadership in Action Award 	<p>Michael Covert congratulated Ms Virginia Barragan upon her receiving the Leadership in Action award, and read from her congratulatory letter. This was an outstanding tribute from her peers and co-workers that exemplified vision, being a staff role model, open to suggestions, of integrity, and had respect and value for her staff. Sheila Brown also offered congratulations noting that Ms Barragan is committed to the future needs of Home Health care.</p>		
<ul style="list-style-type: none"> Special Board Educational Meeting with Premier 8-30-04 	<p>Mr. Covert stated that on Monday, August 30, a special board educational meeting had been arranged with Richard Norling, CEO of Premier, as speaker. Information encompassed ethics, compliance and doing the right thing. Most significantly Mr. Norling shared data comparing 300 hospitals for cardiac care group noting PPH is in the top 10%.</p>		

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<ul style="list-style-type: none"> Resolution No. 09.13.04(01)-10 Adopting the Ninth Amended & Restated Conflict of Interest Code 	<p>Michael Covert presented Resolution No. 09.13.04(01)-10, regarding the Ninth Amended and Restated Conflict of Interest Code. So as to be in compliance, bi-annual review had been undertaken and was recommended for Board approval, following which this revision would be forwarded to the County Board of Supervisors by October 1, 2004, per their request.</p>	<p>MOTION: by Kleiter, 2nd by Scofield and carried unanimously to adopt Resolution No. 09.13.04(01)-10 Adopting the Ninth Amended and Restated Conflict of Interest Code. None opposed.</p>	
<ul style="list-style-type: none"> Annual Physician Recognition Dinner October 9, 2004 	<p>It was reported that Saturday, October 9, 2004 will be an opportunity to establish our first Physician Recognition Dinner and would provide us an opportunity, through the Chiefs of Medical Staffs and the Leadership of our Nursing Staff, to recognize our physicians for their participation and leadership in the system. Director Scofield lauded such recognition.</p>		
<ul style="list-style-type: none"> Trauma Program 20th Anniversary 	<p>Mr. Covert acknowledged the 20th anniversary of our Trauma Program, complimenting Dr. Velky, Kim Colonnelli and all involved with this invaluable program.</p>		
<ul style="list-style-type: none"> PPHF Fundraising 	<p>Mr. Bob Crouch, Vice Chair of the Foundation, was acknowledged for efforts regarding a fundraising package of \$250 million in conjunction with Staff. It was also hoped to participate in a Retreat with the Foundation at a later time.</p>		
<ul style="list-style-type: none"> Recruitment Update 	<p>Mr. Covert relayed that potential candidates for the position of Chief Human Resource Officer are being considered; and that candidates for the position of Chief Administrator of our Skilled Nursing Facilities are under review by Ms Sheila Brown.</p>		
<ul style="list-style-type: none"> COO Reports 	<p>It was noted that every other month the Chief Operating Officers will be providing verbal updates to the Board.</p>		
<ul style="list-style-type: none"> Balanced Scorecard 	<p>Having completed the first quarter, we would start with the respective committees in October, noting that we will continue to improve as we progress.</p>		

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<ul style="list-style-type: none"> • Gallup Poll Results 	<p>Michael Covert referred to a presentation made to Staff by Dan Witters who shared the Gallup Poll results. He asked if the Board would like to hear the rest of these results over the next six weeks, and whether it would be helpful to invite Dan Witters back to go through it in depth.</p>	<p>Michael Covert requested Gustavo Friederichsen to provide a Summary to the Board for information. Chairman Larson felt it might be presented as information at a board meeting.</p>	
<ul style="list-style-type: none"> • University Programs for Physicians 	<p>Dr. Tesoro reported that credits can be obtained at one of four major universities across the nation, offering sessions to physicians in Negotiation Skills, Power and Influence, Healthcare Finance, Quality, etc. Sufficient credit hours could be obtained as a pre-requisite to one of the four university programs. So far 40 physicians have shown interest in the first session. USC is one of the four universities.</p> <p>Director Berger inquired if others could be included. Dr. Tesoro replied that this is being done through the American College of Physicians.</p>		
INFORMATION ITEMS	No questions were raised under Information Items		
<ul style="list-style-type: none"> ▪ Strategic Planning 			
<ul style="list-style-type: none"> ▪ Community Relations 			
<ul style="list-style-type: none"> ▪ Human Resources 			
COMMITTEE REPORTS	<i>Finance and Strategic Planning Committee action items were reported under Consent Items.</i>		
BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH	None reported		
ADJOURNMENT	7:45 p.m.		

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SIGNATURES <ul style="list-style-type: none"> <li data-bbox="275 277 506 305">▪ Board Secretary <li data-bbox="275 402 506 430">▪ Board Assistant 	<div style="text-align: center;">  <hr style="width: 100%;"/> Nancy L. Bassett, R.N., M.B.A. </div> <div style="text-align: center; margin-top: 20px;">  <hr style="width: 100%;"/> Christine D. Meaney </div>		