

**Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING**
Pomerado Hospital, Meeting Room E, Poway
Monday, November 17, 2003

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:02 pm Quorum comprised Directors Bassett, Berger, Krider, Kleiter, Larson, Rivera and Scofield.		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison, followed by an inspirational reading by Chaplain Walden with particular emphasis on the recent tragic fires and loss of life <i>(attached)</i> .		
MISSION AND VISION STATEMENTS	<p>The PPH mission and vision statements were read by Director Bassett, 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 is that PPH will have the highest patient satisfaction in California..</i></p>		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements		
OATH OF OFFICE	Mr. Bruce K. Krider, having been successfully nominated to the PPH Board of Directors on November 4, 2003 to fill the seat vacated by Mr. George G. Gigliotti, was sworn in making him an official member of the PPH Board of Directors. The Oath of Office was administered by Mr. Bob Crouch, PPH Foundation Board Member.		
PUBLIC COMMENTS	None		
INTRODUCTION OF LEGAL COUNSEL	Chairman Larson introduced Mr. Paul DeMuro of Latham & Watkins, as Special Counsel to PPH, welcoming him back. Mr. DeMuro responded that he was very pleased to have the opportunity to serve the District. A welcome		

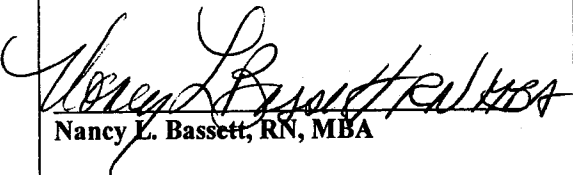
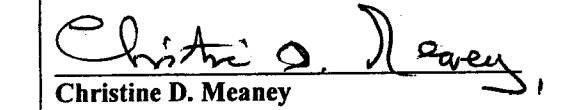
AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<p><i>(Copies of presentation, award photos and Certificate attached).</i></p> <p>Congratulations were extended by Chairman Larson and the Board to Dr. Stein and his team for their excellent work in bringing this impressive award to PMC. Per Director Bassett's request, several of the PPH team members present at the meeting were also acknowledged including Debbie Dennis and Catherine Mlnarik.</p>		
REPORTS			
Disaster Follow-up Report	<p>Michael Covert took this item out of order on the agenda (formerly IX. Reports 3.d.) due to the seriousness of the recent fires disaster, noting that this was a real life example of what we can accomplish with hard work making a difference in the community.</p> <p>He recognized Gerald Bracht, Administrator PMC, Lorie Shoemaker, Nurse Executive at PMC and Jeffrey Cleek, Safety Officer, for their tremendous efforts during the fires.</p>		
	<p>Gerald Bracht provided a disaster de-brief noting that on Sunday, October 26, 2003, PPH made preparations for receipt of mass casualties as a result of firestorms. A Code Yellow was called as a result of the Paradise Fire. Pomerado Hospital declared an internal Code Yellow. Suddenly the Cedar fire was heading for Pomerado and Villa Pomerado and their code was raised to an external Code Yellow but luckily winds changed direction and averted Pomerado. Smoke was an extreme problem. Jeffrey Cleek coordinated with the County as it was difficult for staff to get in due to hazards of road closures.</p> <p>Fires came to within over three miles of PMC and over one mile of Pomerado. Chairman Larson and Gerald Bracht congratulated the team who did an excellent job involving many</p>	<p>Director Berger asked that Jeffrey Cleek look at codifying various matters that may have occurred. He agreed to do so.</p>	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<p>PMC and Pomerado involving 10 volunteers certified through the YMCA. Over 1,000 hours of child day care were provided in a 5-day period. A licensed therapist was also available together with a district psychologist for employees in need and to assist with grief counseling.</p> <p>In addition, Nancy Weber's catering staff at the hospitals provided a great team, dispensing sodas, water, etc. to staff with no stoppage of food deliveries, and a temporary "hotel" being established at PMC.</p> <p>Positive reports were also provided by Julie Taber regarding communications, noting that information was regularly communicated from the CEO to employees with voice mail boxes being established for physicians and employees so that updated hospital information could be received.</p> <p>Elizabeth Renfree reported that I/T back-up systems worked well.</p> <p>Gerald Bracht summed up by stating that he was proud to be a member of the PPH team.</p> <p>Michael Covert acknowledged Sharon Andrews, Beth Gardner, Judy Davidson, Ronnie Duncan (air quality), Dr. Jaime Rivas and all of the E.D. Staff. He was very proud of our team – patient care came first and the families were well taken care of.</p> <p>Chairman Larson congratulated all concerned and the many unsung heroes that proved our "safety net" for PMC and Pomerado and on behalf of the Board was very appreciative of this kind of emergency preparedness in action. He also appreciated the CEO's regular disaster updates to the Board.</p>		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
Chairman of the Board - Palomar Pomerado Health	Alan W. Larson, M.D.		
<ul style="list-style-type: none"> • Service Award Pin 	<p>Chairman Larson presented Director Bruce Krider with a Service Award Pin upon his assuming office, congratulating him upon his success as a newly appointed board member. Chairman Larson continued that following an in-depth review of candidates including that of Mr. Krider, the latter's background in healthcare, hospital facilities construction including overseas, and as a registered lobbyist and consultant for hospitals seeking accreditation, had provided the Board with a strong candidate who had been unanimously chosen. Congratulations were extended to Mr. Krider.</p>		
<ul style="list-style-type: none"> • Planetree Annual Meeting 	<p>Chairman Larson provided an update on his Planetree visit in Seattle and echoed Director Bassett's prior comments that he too, was inspired by how satisfied patients and staff were in such a calm, healing environment.</p>		
<ul style="list-style-type: none"> • Governance Institute Annual Board Chair and CEO Conference 	<p>Chairman Larson reported on this informative and constructive meeting held November 10 and 11.</p>		
President and CEO			
<ul style="list-style-type: none"> • October, 2003 Values in Action Recipient 	<p>Michael Covert congratulated Ms Crystal Spriggs, a Unit Secretary at PMC, upon her nomination for the October Values in Action award, noting her peers' comments on her PPH core values of integrity, teamwork, compassion, creativity, stewardship and excellence.</p>		
<ul style="list-style-type: none"> • Director, Facilities Planning 	<p>Michael Covert wished to acknowledge Mike Shanahan, Director, Facilities Planning that through his untiring efforts he obtained approval from OSHPD so that we were able to receive the necessary certificates to move forward ensuring that by January we will have our additional beds and also be under budget.</p>		
<ul style="list-style-type: none"> • Recruitment Efforts at Pomerado 	<p>Recruitment efforts for the Administrative position at Pomerado continued with four</p>		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
▪ Human Resources			
▪ Community Relations			
▪ Strategic Planning			
▪ Quality Review			
▪ Governance			
▪ Finance Increasing Licensed Beds at PMC	Director Rivera wished to congratulate the staff and members of the Board for increasing the number of licensed beds at PMC and in overcoming obstacles to ensure that these could be on line January 1, 2004.		
Travelers & Registry Nurses	Director Rivera noted that we had some daunting numbers on expenditure of dollars for Travelers and Registry Nurses vs Numbers Hired, and were currently over-budget (ps. 99 & 113 of board packet). However, by January/February, 2004 we should be breaking even and thanked Michael Covert and Gil Taylor for tackling this issue.		
Purchased Services, Professional Fees & Contracted Services	Director Rivera highlighted this topic, appreciating that these expense categories were being closely monitored. His challenge to the Board is to ensure that we come within target and that Administration and Staff have to be more efficient.		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
<ul style="list-style-type: none"> Expenditure of Funds for CSUSM School of Nursing – Nurses Now Program 	<p>Director Rivera deferred to Director Bassett, the latter noting that it gave her great pleasure to make this motion, and that she would deliver a report next time on the ad hoc Nursing Committee.</p> <p>Director Rivera commented that we would likely return in future regarding expansion of this program.</p>	<p>MOTION: by Bassett, 2nd by Scofield and carried to approve up to \$150,000 in FY 04 to assist CSUSM in engaging a developmental consultant for the CSUSM Nursing Degree Program, without regard to participation by Tri-City Medical Center, as submitted.</p>	
<ul style="list-style-type: none"> Disaster Relief Fund/Disaster Recovery 	<p>Director Rivera sincerely appreciated all the efforts in this recent firestorm disaster. Bob Hemker had submitted this matter to legal counsel, and there were some ramifications to deal with. However, Director Rivera invited Director Kleiter to make the following motion.</p> <p>Bob Hemker noted that there would be a claim submitted to FEMA for lost opportunities in view of our revenue stream. There was a deadline and extreme rigidity in the format of such a claim. He will report back to Finance as to where we are in our recovery efforts. The waiving of property tax revenue/suspension of property taxes by the County are costs that are being compiled.</p> <p>Paul DeMuro commented that his legal team stands ready to assist Bob Hemker in whatever way necessary in the matter.</p>	<p>MOTION: by Kleiter, 2nd by Bassett and carried that the Board approve one-time disaster relief funds, matched to team member contributions, up to \$100,000.00.</p> <p>None opposed.</p>	
<ul style="list-style-type: none"> Criteria for Balanced Scorecard 	<p>Following brief discussion on the Criteria for Balanced Scorecard – Financial Strength and Operational Effectiveness, a motion was made as follows:</p>	<p>MOTION: by Scofield, 2nd by Kleiter and carried that the Criteria for Balanced Scorecard recommendation regarding the use of three financial indicators: Operating Income, Expenses Per Weighted Day, and Salary, Wages and Benefits/Weighted Days, together with four operational indicators: ED Length of Stay for Admitted Patients, Door to Doc Time in the ED, Productivity (FTEs/AOB), and</p>	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
		approximately the 60 th percentile, eliminating automatic merit increases, and noting that the Board is committed to exploring a long term incentive plan.	
FINAL ADJOURNMENT	Final Adjournment at 9:50 p.m.		
SIGNATURES			
▪ Board Secretary	 Nancy L. Bassett, RN, MBA		
▪ Board Assistant	 Christine D. Meaney		