

Palomar Pomerado Health
JOINT MEETING OF THE BOARD OF DIRECTORS &
STRATEGIC PLANNING COMMITTEE
Pomerado Hospital – Conference Room E
November 20, 2003

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
CALL TO ORDER	6:34 p.m.		
ESTABLISHMENT OF QUORUM	Dr. Larson, Nancy Bassett, R.N., Michael Covert, Ted Kleiter, Bruce Krider, Dr. Kung, and Dr. Rivera. Also attending were Gerald Bracht, Lorie Harmon, Marcia Jackson, Dr. Otonari, Anamaria Repetti, Mike Shanahan, Lori Wells, and Nick Xenitopoulos. Guests: Evelyn Warner from Mike Shanahan's office, and Tom Chessum and Steve Yundt from Anshen & Allen.		
NOTICE OF MEETING	The notice of meeting was mailed consistent with legal requirements.		
PUBLIC COMMENTS	There were no requests for public comments.		
MINUTES October 16, 2003		MOTION: Motion made by Ted Kleiter, seconded by Bruce Krider, and carried, for approval as presented.	

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ANSHEN & ALLEN ARCHITECTURAL UPDATE	<p>At the October Strategic Planning Committee meeting, an update on community bed need estimates and alternative building solutions was presented and discussed with the Committee. Based on feedback from the Committee, the architects further studied alternatives and provided an update at the November Strategic Planning Committee meeting.</p> <p>Tom Chessum of Anshen & Allen reviewed the various options for the facilities, and noted the cost increase from one year ago, and offered explanations as to why the costs have escalated. He presented a summary of Project Sites and Program Distribution. He stressed the fact that square footage drives the costs. Two key indicators of the budget/cost reconciliation were:</p> <ol style="list-style-type: none"> 1) Program = Gross square footage/Bed <ul style="list-style-type: none"> • This accounts for the full scope of services to be provided • Accounts for programming standards/codes • Accounts for planning criteria 2) Cost Structure = Project \$/Bed <ul style="list-style-type: none"> • Accounts for direct functional "bricks & mortar" costs • Accounts for indirect "bricks & mortar" costs • Accounts for related "soft" costs • Accounts for escalation of all costs <p>Mr. Chessum showed the figures from a project cost estimate done in 2002 (pre-Anshen & Allen) of \$375,000 per bed, and added in a \$64,000 per bed cost for cost escalation to 2007, based on the assumption of a</p>		

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	<p>compound escalation of 3% per annum, noting that most of the money would be spent during the 2006 – 2007 period.</p> <p>The architect’s presentation included a Project Cost Development Comparative Data and Benchmarks, which compared PPH’s competitors figures as to gross square footage per bed, and project \$ per bed. Tom used examples of several recent projects where square footage per bed varies from 1,900 – 2,190. Dr. Larson asked whether the use of private versus semi-private rooms significantly impacts the square footage/bed and Tom responded that it does not significantly increase it.</p> <p>The current PPH proposed schemes provided a range of 1,650 – 1,800 square feet per bed. Palomar Medical Center is currently at 1,096 gross square feet per bed, which is substantially under the industry ranges. A proposed new hospital (bed) tower would average 1,126 SF (square feet) per bed, and once the following categories were added, the total SF/bed of a new hospital would be 1,850 SF/bed:</p> <ul style="list-style-type: none"> • Expanded Diagnostic & Treatment • Expanded Support Services • Healing Environment Criteria <p>He pointed out that the \$375,000 per bed did not include medical equipment, nor did it include the cost of a new central plant. The final total estimate of a new hospital would be \$787,000 per bed, with a square footage per bed of 1,850.</p> <p>Dr. Rivera requested examples of the components of a healing environment and the expanded support services.</p>	<p>Tom Chessum will provide examples at the December</p>	<p>T. Chessum/ Anshen &</p>

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	<p>Discussion ensued regarding the content of the information about the building projects, as well as the manner in which the information is presented.</p> <p>Suggestions included:</p> <ul style="list-style-type: none"> • Need concise, consistent, logical, and simplistic positioning for the public • Review of historical information for accuracy and to determine what information we gave to the public the last time – Dr. Rivera asked Tom to review the last figures. • Michael Covert suggested revisiting the bond issue at the Finance Committee meeting • Ted Kleiter suggested that we tell the public that “we have more information now,” to emphasize a positive approach, i.e., that services have been added, along with top-notch medical equipment. <p>Mike Shanahan shared information about land site options, and showed aerial photographs of those options available for a new site, should this be the decided course to follow.</p> <p>The Committee will invite the full PPH Board to the December Committee meeting and will have an architectural update for the full Board.</p>	<p>Committee meeting.</p> <p>Tom Chessum will provide review at the December Committee meeting.</p> <p>Marcia Jackson to invite full Board to December Committee meeting.</p>	<p>Allen</p> <p>T. Chessum</p> <p>M. Jackson/ L. Harmon</p>
<p>PROGRAM DEVELOPMENT PRIORITIZATION</p>	<p>One of the nine FY '04 system-wide goals is to prioritize 3 clinical services for program development focus. Through meetings with Board members, senior management and Medical staff Leadership, numerous potential programs and services were identified for planning assessments. This list was refined to include clinical programs that could be a source of revenue for PPH. The program assessments have been completed for these 13 potential clinical development programs.</p>		

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	<p>Committee members were requested to review the assessments and prepare to discuss which programs they feel should receive prioritization.</p> <p>A prioritization exercise was done, whereby each Committee member was given 3 dots to select the programs that they felt should be given the highest prioritization. The Committee members discussed their reasoning for their priorities and also heard Management's input. Both EMT and the Committee felt that Neurosciences, Vascular Services, Interventional Radiology, and Musculoskeletal (Orthopedic) programs should be the top priorities. Staff will begin to work on business plans for these services.</p>	<p>M. Jackson to begin work on business plans.</p>	<p>M. Jackson</p>
<p>FINAL ADJOURNMENT</p>	<p>8:15 p.m.</p>		
<p>SIGNATURES</p> <p>Board Secretary</p> <p>Recording Secretary</p>	<p>_____</p> <p>Nancy H. Scofield</p> <p>_____</p> <p>Lorie Harmon</p>		