

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

**BOARD OF DIRECTORS
AGENDA PACKET**

May 11, 2009

*The mission of Palomar Pomerado Health
is to heal, comfort and promote health
in the communities we serve.*

A California Health Care District (Public Entity)

**PALOMAR POMERADO HEALTH
BOARD OF DIRECTORS**

Bruce G. Krider, MA, Chairman
Linda C. Greer, RN, Vice Chairman
Nancy L. Bassett, RN, MBA, Secretary
T. E. Kleiter, Treasurer
Marcelo R. Rivera, MD
Alan W. Larson, MD
Jerry Kaufman, MAPT

Michael H. Covert, FACHE, President and CEO

*Regular meetings of the Board of Directors are usually held on the second Monday
of each month at 6:30 p.m., unless indicated otherwise
For an agenda, locations or further information
call (858) 675-5106, or visit our website at www.pph.org*

MISSION STATEMENT

***The Mission of Palomar Pomerado Health is to:
Heal, Comfort, Promote Health in the Communities we Serve***

VISION STATEMENT

***Palomar Pomerado Health will 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***

CORE VALUES

Integrity

To be honest and ethical in all we do, regardless of consequences

Innovation and Creativity

To courageously seek and accept new challenges, take risks, and envision new and endless possibilities

Teamwork

To work together toward a common goal, while valuing our difference

Excellence

To continuously strive to meet the highest standards and to surpass all customer expectations

Compassion

*To treat our patients and their families with dignity, respect and empathy at all times and
to be considerate and respectful to colleagues*

Stewardship

To inspire commitment, accountability and a sense of common ownership by all individuals

Affiliated Entities

Escondido Surgery Center * Palomar Medical Center * Palomar Medical Auxiliary & Gift Shop * Palomar Continuing Care Center *
Palomar Pomerado Health Foundation * Palomar Pomerado Home Care * Pomerado Hospital * Pomerado Hospital Auxiliary & Gift Shop *
San Marcos Ambulatory Care Center * Ramona Radiology Center * VRC Gateway & Parkway Radiology Center * Villa Pomerado
• Palomar Pomerado Health Concern* Palomar Pomerado Health Source*Palomar Pomerado North County Health Development, Inc.*
• North San Diego County Health Facilities Financing Authority*

**PALOMAR POMERADO HEALTH
BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

**Monday, May 11, 2009
Commences 6:30 p.m.**

**Pomerado Hospital
Meeting Room E
15615 Pomerado Road
Poway, CA 92064**

Mission and Vision

“The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve.”

“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.”

	<u>Time</u>	<u>Page</u>
I. CALL TO ORDER		
II. OPENING CEREMONY	2	
A. Pledge of Allegiance		
III. PUBLIC COMMENTS	5	
<i>(5 mins allowed per speaker with cumulative total of 15 min per group – for further details & policy see Request for Public Comment notices available in meeting room).</i>		
IV. * MINUTES	5	6-15
Regular Board Meeting – April 13, 2009		
Closed Board Meeting – April 13, 2009		
Special Board Meeting – April 29, 2009		
Special Board Meeting – April 30, 2009		
V. * APPROVAL OF AGENDA to accept the Consent Items as listed	5	16-68
A. March 2009 & YTD FY2009 Financial Report (<i>Addendum A</i>)		
B. Approval of Revolving, Patient Refund and Payroll Fund Disbursements– March, 2009		
1. Accounts Payable Invoices	\$38,679,747.00	
2. Net Payroll	<u>\$10,543,912.00</u>	
Total	<u>\$49,223,659.00</u>	
C. Ratification of Paid Bills		
D. Dr. Zakko Emergency On Call Agreement		
E. Physician Recruitment Agreement - Drs Jones & Link		
F. Centre for Healthcare EHR		

“In observance of the ADA (Americans with Disabilities Act), please notify us at 858-675-5106, 48 hours prior to the meeting so that we may provide reasonable accommodations”

***Asterisks indicate anticipated action;
Action is not limited to those designated items.***

- G. Friendly PC
- H. Cerner RHO
- I. Cerner FTF

VI. PRESENTATIONS

- A. * Resolution for Poway Mayor, Mickey Cafagna 10
- B. Children’s Miracle Network Program “Kids Helping Kids” 10 69
 - Alana Pudgil and Student Leadership
- C. Annual Update of Community Activities and Preliminary Outcome of ACS Survey - John Steele, MD and Debra Byrnes 10 70

VII. REPORTS

- A. Medical Staffs 15 71-86
 - * 1. Palomar Medical Center – John Lilley, M.D.
 - a. Credentialing/Reappointments
 - * 2. Pomerado Hospital – Frank Martin, M.D.
 - a. Credentialing/Reappointments
- B. Administrative
 - 1. Chairman of Palomar Pomerado Health Foundation – Al Stehly
 - a. Update on PPHF Activities 5 Verbal Report
 - 2. Chairman of the Board – Linda Greer in for Bruce Krider 15 Verbal Report
 - a. LAFCO recommendation
 - 3. President and CEO – Michael H. Covert, FACHE 10 Verbal Report
 - a. H1N1 Virus Update

VIII. INFORMATION ITEMS (Discussion by exception only) 87-117

- A. Strategic Planning – 2008 – 2009 Board Goal Update
- B. Strategic Planning – Rehab / L - Tac
- C. Strategic Planning – IT Infrastructure
- D. Strategic Planning – Facilities Master Plan Update
- E. Strategic Planning – Financial Master Plan Update
- F. Finance – Health Development
- G. Finance - Cerner Optimization
- H. Finance - ICOC

IX. COMMITTEE REPORTS (Minutes available on the Leadership Drive) 15 118-123

- A. **Internal Audit and Compliance Committee** – Did not meet in April
- B. **Governance Committee** – Did not meet in April

*Asterisks indicate anticipated action;
 Action is not limited to those designated items.*

- C. **Human Resources Committee** – *Did not meet in April*
- D. **Community Relations** – *Did not meet in April*
- E. **Facilities and Grounds** – *Meeting minutes available on the Leadership Drive*
- F. **Board Quality Review Committee** – *Meeting minutes available on the Leadership Drive*
- G. **Finance Committee** – *Meeting minutes available on the Leadership Drive*
- H. **Strategic Planning Committee** – *Meeting minutes available on the Leadership Drive*

- I. **Other Committee Chair Comments on Committee Highlights** (*standing item*)

**X. BOARD MEMBER COMMENTS/AGENDA ITEMS
FOR NEXT MONTH**

XI. ADJOURNMENT

Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING
Palomar Medical Center/ Graybill Auditorium
Monday, April 13, 2009

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:40 pm Quorum comprised Directors Bassett, Greer, Kaufman, Kleiter, Krider, Larson and Rivera.		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.		
MISSION AND VISION STATEMENTS	The PPH mission and vision statements are as follows: <i>The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve.</i> <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>		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements		
PUBLIC COMMENTS	None.		
APPROVAL OF MINUTES <ul style="list-style-type: none"> • Regular Board Meeting March 09, 2009 		MOTION: by, Bassett 2 nd by Kleiter and carried to approve the March 09, 2009 Regular and Special Board minutes as submitted. All in favor. None opposed.	
APPROVAL OF AGENDA to accept the Consent Items as listed A. February 2009 & YTD FY2009 Financial Report (Addendum A) B. Approval of Revolving,	Director Kaufman asked for clarification on the request for increasing the Palomar Pomerado North County Health Development's line of credit. Bob Hemker explained that the item was a housekeeping action approved in the FY09 budget and was on the Oct 09 agenda. It was pulled for	MOTION: by Bassett, 2 nd by Kleiter and carried to approve the Consent Items A – K with items D and H pulled for discussion. Director Larson abstained. Six in favor. None opposed.	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
Patient Refund and Payroll Fund Disbursements–Feb, 2009 Accounts Payable Invoices \$33,916,621.00 Net Payroll \$10,307,318.00 Total \$44,223,939.00 C. Ratification of Paid Bills D. Palomar Pomerado North County Health Development – Increase in Line of Credit E. Dr. Chirac PMC Inpt Behavioral Health Program F. ED On Call Agreement -Opth G. ED On Call Agreement – GI H. ICOC Audit Request I. ICOC Vacancy J. 2009 CPAC K. Palomar Draft Owner – Construction Management Agreement – DPR Exhibits B-G (<i>Addendum B</i>)	discussion but was not voted upon at that time. Michael Covert stated that the ICOC had requested an additional audit. Tom Boyle has conducted internal activity audit and an external auditor was contracted with to perform a second audit. In addition, Deloitte and Touche looks at this area during their audit of the health system. PPH will share this information with the ICOC so that they may use the audit information.	MOTION: by Bassett, 2 nd by Rivera and carried to approve consent item D. All in favor. None opposed. MOTION: by Kleiter, 2 nd by Greer and carried to approve consent item H. All in favor. None opposed.	
PRESENTATIONS			
Child Abuse Program – Sexual Assault Response Team	<i>Cathy McLennan, Susan Dickenson, Dr. Mary Spencer and Kim Colonnelli</i>		
	April is child abuse and sexual assault awareness month. 2009 is the 25th anniversary of the PPH Child Abuse Program. The presentation highlighted the program’s developments, community support and expressed gratitude to PPH for the opportunity to continue these essential services.		
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	John J. Lilley, MD., Chief of PMC Medical Staff, presented PMC’s requests for approval of Credentialing Recommendations.	MOTION: by Kleiter, 2 nd Kaufman by and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for	

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
		<p>the PMC Medical Staff, as presented.</p> <p>Director Bassett and Director Larson abstained.</p> <p>Five in favor. None opposed.</p>	
Pomerado Hospital			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>Frank Martin, MD., Chief of Pomerado Medical Staff, presented Pomerado Hospital's requests for approval of Credentialing Recommendations.</p>	<p>MOTION: by Kleiter, 2nd Kaufman by carried to approve the Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented.</p> <p>Director Bassett and Director Larson abstained.</p> <p>Five in favor. None opposed.</p>	
Administrative			
Chairman - Palomar Pomerado Health Foundation	<i>Al Stehly</i>		
Foundation Updates	<p>The Night of Nights Gala invitations will be mailed within the mail next week. There has been \$425,000 raised so far.</p> <p>The active phase of the employee campaign is set to end in early July. Terry Green spoke about the goal of obtaining 100% participation by the employees to show the community PPH's commitment.</p> <p>Mr. Green stated that Harold Dokmo would be rejoining the Foundation Board.</p>		
Chairman of the Board - Palomar Pomerado Health	<i>Chairman Bruce Krider</i>		
	<p>Chairman Krider spoke about the past meeting with Tri City where the possibilities of collaborations were discussed. Chairman Krider asked the Board to be thinking of possible areas that would make sense for PPH and Tri City to work together. PPH and Tri City will be meeting again in a few months to review those possible areas of collaboration.</p>		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<p>Chairman Krider expressed his condolences for the passing of Poway Mayor, Mickey Cafagna. There will be a formal proclamation in his honor at the next Board meeting.</p> <p>Chairman Krider expressed his condolences for the passing of Dr. Engel's son, David.</p> <p>Chairman Krider acknowledged Dr. Acheatel who was unable to attend the recent Leadership banquet where was to have received an award for his service.</p> <p>Chairman Krider was a patient at the occupational health program and was impressed by the staff's professionalism.</p>		
President and CEO	<i>Michael Covert, President and CEO</i>		
	<p>Michael Covert recognized Dr. John Lilley who was unable to attend the recent Leadership banquet where was to have received an award for his service as PMC Chief of Medical Staff.</p> <p>Mr. Covert expressed his condolences on the passing of Poway Mayor, Mickey Cafagna. The service will be Friday, April 17th at St. Michaels Church at 1:00pm.</p> <p>Mr. Covert expressed his condolences on the passing of Dr. Engel's son, David. The service will be held Thursday, April 16th at 2:00pm at Maranatha Church in Rancho Bernardo.</p> <p>There is a Special Full Board Strategic Planning meeting this Saturday, April 18th from 8:00am to 4:00pm in meeting room B/C at Innovation.</p> <p>The search for a Director of Corporate Compliance is moving forward. The first round of interviews will be completed this month.</p>		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<p>Second interviews will be scheduled for the beginning of May and the sub-committee will bring back recommendations to the Board.</p> <p>Mr. Covert asked Chief Nursing Officer, Lorie Shoemaker, to speak about the Magnet results.</p> <p>Lorie Shoemaker stated that PPH just became the first and only public hospital system in California that is Magnet certified. Ms. Shoemaker acknowledged all of those that worked so hard throughout the process. PPH is in the 5% of hospitals across the country being recognized as a Magnet designated system. Every four years PPH will need to be re-designated to remain Magnet certified.</p> <p>Michael Covert spoke about how it had been the goal of PPH to be recognized for quality care. Other hospitals attempt Magnet certification as a single hospital and PPH accomplished this as a hospital system. PPH is one of the few hospitals to have achieved Magnet certification in a union environment.</p>		
INFORMATION ITEMS	<i>Discussion by exception only</i>		
<ul style="list-style-type: none"> ▪ Governance 	<ul style="list-style-type: none"> ▪ Governance – Physician Recruitment and Retention (Gov 35) 		
<ul style="list-style-type: none"> ▪ Strategic Planning 	<ul style="list-style-type: none"> ▪ Strategic Planning – Mission and Vision Statements ▪ Strategic Planning – Five Year Principle Foci ▪ Strategic Planning – Primary Growth Needs (Medical) ▪ Strategic Planning – Medical Staff Development Needs by Specialty ▪ Strategic Planning – Ambulatory Care Program / Facility Growth ▪ Strategic Planning - SNF 		
<ul style="list-style-type: none"> ▪ Internal Audit and Compliance 	<ul style="list-style-type: none"> ▪ Internal Audit and Compliance - Status of Dir of Corporate Compliance search 		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	<ul style="list-style-type: none"> ▪ Internal Audit and Compliance - Compliance Hotline Activity ▪ Internal Audit and Compliance - Internal Audit and Compliance Committee Charter ▪ Internal Audit and Compliance - Update on Internal Audit Services ▪ Internal Audit and Compliance - Update on New Privacy Laws ▪ Internal Audit and Compliance - Report on Contract Performance Tool 		
<ul style="list-style-type: none"> ▪ Finance 	<ul style="list-style-type: none"> ▪ Finance – CM Services DPR Construction 		
COMMITTEE CHAIR COMMENTS			
<ul style="list-style-type: none"> • Internal Audit 	Director Greer stated that the interview process for the Director of Corporate Compliance had begun. Director Greer also asked that the Board to review the new Privacy laws if they had not already done so.		
<ul style="list-style-type: none"> • Governance 	There will not be meeting in April. The next meeting is scheduled for May 21 st .		
<ul style="list-style-type: none"> • Human Resources 	Did not meet in March. The next meeting is scheduled for April 16 th .		
<ul style="list-style-type: none"> • Strategic Planning 	The next meeting is a full Board meeting and is scheduled for Saturday, April 18 th . Director Kleiter suggested moving all items that did not have to be decided upon to the regularly scheduled Strategic Planning meetings.		
<ul style="list-style-type: none"> • Community Relations 	The next meeting is scheduled for May 20 th .		
<ul style="list-style-type: none"> • Board Facilities and Grounds 	<p>Updates were provided on PMC West, PMC East, POM and the satellite facilities. PPH has met with the planning commissions and taken community suggestions to garner the support of the communities.</p> <p>PMC West is on target and is set for completion in November 2011.</p> <p>DPR will be hosting a BBQ lunch tomorrow to honor the construction workers at PMC West.</p>		

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
	The contract for the PMC West transformation process was awarded. It passed by unanimous vote and is valid from May 09 – March 2012. Marcia Jackson will be leading this process.		
<ul style="list-style-type: none"> • Board Quality Review 	The next meeting is scheduled for April 20 th .		
<ul style="list-style-type: none"> • Finance 	The next meeting is scheduled for April 28 th .		
BOARD MEMBER COMMENTS and AGENDA ITEMS FOR NEXT MONTH	<p>Director Rivera will not able to attend the April 28th Board Finance meeting. Director Rivera will be lobbying for healthcare reform in Washington DC.</p> <p>Director Bassett spoke about the increasing number of Diabetics that can no longer afford their insulin due to the economy. Director Bassett suggested that PPH may want to consider becoming involved in helping.</p> <p>Director Kleiter, Director Kaufman and Gustavo Friederichsen will be attending the ACHD Legislative Day in Sacramento April 20th and 21st. Nate Fletcher is sponsoring ABA22 on our behalf. Lorie Shoemaker will be testifying at the ACHD Legislative Day on April 21st.</p>		
ADJOURNMENT	7:30p.m.		
SIGNATURES	<ul style="list-style-type: none"> ▪ Board Secretary _____ Nancy Bassett, RN, MBA ▪ Board Assistant _____ Nicole Dennis 		

**Palomar Pomerado Health
BOARD OF DIRECTORS
CLOSED SESSION MEETING
Palomar Medical Center, Escondido CA
Graybill Auditorium
Monday, April 13, 2009**

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	5:30 p.m. Quorum comprised Directors Bassett, Greer, Kaufman, Kleiter, Krider, Larson, Rivera Also present: Janine Sarti, Donita Phillips		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements. Pursuant to Government Code Section 549567: Public Employee Performance Evaluation: Follow up to CEO Evaluation. Pursuant to Government Codes Section 54956.9(a): Conference with Legal Counsel – Existing Litigation – Quarterly Claims/Risk Management Report		
PUBLIC COMMENTS	None.		
ADJOURNMENT TO CLOSED SESSION		MOTION: by Chairman Krider to adjourn to closed session. All in favor. None opposed.	
CLOSED SESSION	Pursuant to Government Code Section 549567: Public Employee Performance Evaluation: Follow up to CEO Evaluation. Pursuant to Government Codes Section 54956.9(a): Conference with Legal Counsel – Existing Litigation – Quarterly Claims/Risk Management Report		
OPEN SESSION RESUMES		MOTION: by Chairman Krider to resume open session	
FINAL ADJOURNMENT		MOTION: by Chairman Krider for final adjournment at 6:30 p.m.	
SIGNATURES	<ul style="list-style-type: none"> <li data-bbox="157 1274 325 1331">▪ Board Secretary _____ Nancy Bassett, R.N., M.B.A. <li data-bbox="157 1421 325 1477">▪ Board Assistant _____ Nicole Dennis 		

Palomar Pomerado Health
BOARD OF DIRECTORS
AD HOC COMMITTEE MEETING
Closed Session
 456 Grand Avenue, Escondido CA
 1st Floor Conference Room
 Wednesday, April 29, 2009

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	5:36 p.m. Quorum comprised Directors Bassett, Kleiter, and Larson Also present: Janine Sarti		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements. Pursuant to Government Code Section 54957: Public Employee Performance Evaluation: Chief Executive Officer.		
PUBLIC COMMENTS	None.		
ADJOURNMENT TO CLOSED SESSION		MOTION: by Dir Kleiter to adjourn to closed session. All in favor. None opposed.	
CLOSED SESSION	Pursuant to Government Code Section 54957: Public Employee Performance Evaluation: Chief Executive Officer.		
OPEN SESSION RESUMES		MOTION: by Dir Kleiter to resume open session	
FINAL ADJOURNMENT		MOTION: by Dir Kleiter for final adjournment at 6:50 p.m.	
SIGNATURES <ul style="list-style-type: none"> ▪ Board Secretary ▪ Board Assistant 	<hr style="width: 200px; margin-left: 0;"/> Nancy Bassett, R.N., M.B.A. <hr style="width: 200px; margin-left: 0;"/> Nicole Dennis		

Palomar Pomerado Health
BOARD OF DIRECTORS
SPECIAL BOARD MEETING
Closed Session
 456 Grand Avenue, Escondido CA
 1st Floor Conference Room
 Thursday, April 30, 2009

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:00 p.m. Quorum comprised Directors Bassett, Greer, Kaufman, Kleiter, Larson and Rivera Absent: Chairman Krider Also present: Brenda Turner, Michael Covert, Lorie Shoemaker, Bob Hemker, Joanna Sainmervil		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements. Pursuant to Government Code Section 54957.6: Labor Negotiations.		
PUBLIC COMMENTS	None.		
ADJOURNMENT TO CLOSED SESSION		MOTION: by Dir Bassett to adjourn to closed session. All in favor. None opposed.	
CLOSED SESSION	Pursuant to Government Code Section 54957.6: Labor Negotiations.		
OPEN SESSION RESUMES		MOTION: by Dir Bassett to resume open session	
FINAL ADJOURNMENT		MOTION: by Dir Bassett for final adjournment at 7:49 p.m.	
SIGNATURES <ul style="list-style-type: none"> ▪ Board Secretary ▪ Board Assistant 	_____ Nancy Bassett, R.N., M.B.A. _____ Nicole Dennis		

March 2009 & YTD FY2009 Financial Report

TO: Board of Directors
MEETING DATE: Monday, May 11, 2009
FROM: Robert Hemker, CFO
BY Board Finance Committee
Tuesday, March 31, 2009

Background: The Board Financial Reports (unaudited) for March 2009 and YTD FY2009 are submitted for the Board's approval.

Budget Impact: N/A

Staff Recommendation: Staff recommends approval.

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the Board Financial Reports for March 2009 and YTD FY2009.

Motion: X

Individual Action:

Information:

Required Time:

**PALOMAR POMERADO HEALTH
CONSOLIDATED DISBURSEMENTS
FOR THE MONTH OF
MARCH 2009**

03/01/09	TO	03/31/09	ACCOUNTS PAYABLE INVOICES	\$38,679,747
03/06/09	TO	03/20/09	NET PAYROLL	<u>\$10,543,912</u>
				\$49,223,659

I hereby state that this is an accurate and total listing of all accounts payable, patient refund and payroll fund disbursements by date and type since the last approval.



CHIEF FINANCIAL OFFICER

APPROVAL OF REVOLVING, PATIENT REFUND AND PAYROLL FUND DISBURSEMENTS:

Treasurer, Board of Directors PPH _____

Secretary, Board of Directors PPH _____

This approved document is to be attached to the last revolving fund disbursement page of the applicable financial month for future audit review.

cc: M. Covert, G. Bracht, R. Hemker, D. Tam

**POMERADO HOSPITAL
EMERGENCY ON-CALL AGREEMENT**

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: David Tam, M.D., Chief Administrative Officer, Pomerado Hospital

BY: Board Finance Committee
Tuesday, April 28, 2009

BACKGROUND: This is a request to approve the Emergency On-Call Agreement with Maram F. Zakko, M.D. Physician shall serve as a member of the On-Call Panel on a rotating basis and provide On-Call Coverage for the specialty of Gastroenterology in accordance with the Hospital bylaws, rules and regulations, policies and procedures of PPH.

BUDGET IMPACT: None. The addition of Dr. Zakko does not add to the overall budget of GI call coverage at Pomerado Hospital.

STAFF RECOMMENDATION: Approval

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the one-year [May 1, 2009 to April 30, 2010] Emergency On-Call Agreement for Gastroenterology Services at POM with Maram F. Zakko, M.D.

Motion: X

Individual Action:

Information:

Required Time:

PALOMAR POMERADO HEALTH - AGREEMENT ABSTRACT

Section Reference	Term/Condition	Term/Condition Criteria
	TITLE	Emergency On-Call Agreement
	AGREEMENT DATE	May 1, 2009
	PARTIES	1) Pomerado Hospital 2) Maram F. Zakko, M.D
Recitals E	PURPOSE	To serve on the On-Call Panel as required by the medical staff bylaws, and rules and regulations, of Pomerado Hospital.
Exhibit A	SCOPE OF SERVICES	To provide On-Call coverage pursuant to the On-Call Agreement for the specialty of Gastroenterology at Pomerado Hospital.
	PROCUREMENT METHOD	<input type="checkbox"/> Request For Proposal <input checked="" type="checkbox"/> Discretionary
5	TERM	The term of this agreement shall commence effective as of May 1, 2009 through April 30, 2010.
N/A	RENEWAL	None
6	TERMINATION	1. Immediate for cause 2. Not less than 90 days of written notice without cause
2	COMPENSATION METHODOLOGY	Monthly payment on or before the 15 th of the month with supporting documentation.
	BUDGETED	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO – IMPACT:
	EXCLUSIVITY	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES – EXPLAIN:
	JUSTIFICATION	Replacement of retired physician leaving the call pool. Need for continued Gastroenterology consultation call coverage for the Emergency Department.
	AGREEMENT NOTICED	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Methodology & Response:
	ALTERNATIVES/IMPACT	N/A
1	Duties	Physician shall provide On-Call Panel Coverage and professional services in accordance with the Hospital's bylaws, rules and regulations, policies and procedures.
	COMMENTS	
	APPROVALS REQUIRED	<input checked="" type="checkbox"/> Officers <input checked="" type="checkbox"/> CFO <input checked="" type="checkbox"/> CEO <input checked="" type="checkbox"/> BOD Committee <input checked="" type="checkbox"/> Finance <input checked="" type="checkbox"/> BOD

EMERGENCY ON-CALL AGREEMENT

THIS EMERGENCY ON-CALL AGREEMENT (“Agreement”) is made and entered into effective as of the first day of May 1, 2009 by and between Palomar Pomerado Health, a California local health care district (“PPH”), and Maram F. Zakko, M.D. (“Physician”).

RECITALS

A. PPH owns and operates two general acute care hospitals: Palomar Medical Center and Pomerado Hospital (collectively, the “Hospitals”), and provides emergency services to patients who present themselves for evaluation and treatment through the emergency and various other departments of the Hospitals, including, but not limited to, the intensive care unit and other inpatient departments of the Hospitals (collectively, the “Departments”).

B. Pursuant to state and federal law, the Hospitals have established “on-call” panels of physicians (“On-Call Panel”) in order to assure the availability of adequate physician coverage for the Departments.

C. Physician is licensed to practice medicine in the State of California, is Board certified or eligible for certification in his or her appropriate specialty, is a member of the medical staff of one or both Hospitals, and is approved by one or both of the Hospital medical staffs to serve on the On-Call Panel.

D. PPH and Physician each recognize that the On-Call Panel performs a necessary patient care function at PPH and Physician agrees to render coverage and services as a member of said On-Call Panel in assuring prompt and continuous availability of services to PPH’s patients.

E. Physician acknowledges his or her responsibility to serve on the On-Call Panel as required by the medical staff bylaws, and rules and regulations, of the applicable Hospital(s).

NOW, THEREFORE, in consideration of the recitals, covenants, conditions and promises herein contained, the parties hereby agree as follows:

1. Physician’s On-Call Panel Coverage Services.

1.1 Physician shall serve as a member of the On-Call Panel on a rotating basis, at such times as shall be determined by the appropriate PPH Department in accordance with Section 1.2 below, to provide On-Call Panel Coverage and professional services, regardless of payor class, to: (1) patients who are not currently assigned to any particular physician at the time coverage and services are provided, and (2) patients, including inpatients, who may be assigned to a particular physician, but who require consultation or other physician services from an On-Call Panel physician during the physician’s scheduled On-Call Panel period (collectively, “Coverage Patients”). Specifically, Physician shall provide those services set forth on Exhibit A, attached hereto and incorporated herein by this reference, which he or she is qualified and privileged by the

Physician Recruitment Agreement

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Lisa Hudson, Director, Physician & Business Development

BY: Board Finance Committee
Tuesday, April 28, 2009

Background: The PPH community lacks an adequate number of urologists with expertise in robotics, as verified by Medical Development Specialists, a national consulting firm that specializes in physician manpower studies. PPH has an established physician recruitment program and has allocated resources to attract additional urologists with this added expertise to relocate to Inland North San Diego County. Brian A. Link, MD, and Thomas A. Jones, MD, A Professional Corporation, have signed the PPH Physician Recruitment Agreement in order for Dr. Link to join Dr. Jones and establish a practice in his Escondido office. Dr. Link intends to begin practicing in August 2009.

Budget Impact: None

Staff Recommendation: Approval of the Physician Recruitment Agreement with Thomas A. Jones, MD, A Professional Corporation, and Brian A. Link, MD, and recommend approval by the full Board of Directors.

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the Practice Recruitment Agreement Among PPH, Thomas A. Jones, M.D., A Professional Corporation, and Brian A. Link, M.D.

Motion: X

Individual Action:

Information:

Required Time:

PALOMAR POMERADO HEALTH - AGREEMENT ABSTRACT

Section Reference	Term/Condition	Term/Condition Criteria
	TITLE	Physician Recruitment Agreement—General Urology with expertise in robotic procedures
	AGREEMENT DATE	April 20, 2009, Start date August 2009
	PARTIES	1) PPH 2) Brian Link, M.D. 3) Dr. Thomas Jones, Inc.
Recitals	PURPOSE	Provide recruitment assistance to enable Dr. Link to join Dr. Thomas Jones, Inc.
Article 4	SCOPE OF SERVICES	Dr. Link will establish a full-time General Urology and robotic expertise practice in Dr. Jones' Escondido office, and will participate in government-funded programs.
2.1; 2.2; 6.2; 6.4; 6.5	TERM	1 year of income assistance; two year repayment/forgiveness period
Recruitment procedure D.2	RENEWAL	None available
Article 8; 9.17	TERMINATION	Contract stipulates conditions for termination
Article 2	COMPENSATION METHODOLOGY	For monthly income guarantee physician/group will submit monthly report of expenses and collections. For relocation and start-up cost assistance physician/group will submit receipts.
	BUDGETED	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO – IMPACT: None
5.1; 9.19	EXCLUSIVITY	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES – EXPLAIN: Government prohibits hospitals from requiring physician to exclusively have privileges or make referrals only to their hospital. The contract does include a non-compete clause.
	PHYSICIAN MANPOWER STUDY	Medical Development Specialists, a national consulting firm who performed our Physician Manpower Study, completed an analysis which confirmed there is a justifiable community need for this recruitment
	EXTERNAL FINANCIAL VERIFICATION	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Methodology: Medical Development Specialists (MDS) developed a pro forma for the practice to establish the contract value to cover income guarantee and cash flow needs. MDS also provided the market comparison to establish an appropriate income guarantee.
	LEGAL COUNSEL REVIEW	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Exceptions to the standard agreement are noted in redlined agreement. Legal Counsel has approved this contract.
	APPROVALS REQUIRED	<input checked="" type="checkbox"/> Director, Physician & Business Development <input checked="" type="checkbox"/> General Counsel <input checked="" type="checkbox"/> CFO <input checked="" type="checkbox"/> CEO <input checked="" type="checkbox"/> BOD Finance Committee on April 28, 2009 <input checked="" type="checkbox"/> BOD

**PRACTICE RECRUITMENT AGREEMENT
AMONG PALOMAR POMERADO HEALTH,
THOMAS A. JONES, M.D.
AND
BRIAN A. LINK, M.D.**

This is an Agreement dated April 20, 2009 ("**Agreement**") among Palomar Pomerado Health, a California health district organized under Section 23 of the Health and Safety Code ("**PPH**"), Thomas A. Jones, M.D., A Professional Corporation, a California professional medical corporation ("**Group**"), and Brian A. Link, M.D. ("**Physician**") (collectively the "**parties**").

PPH owns and operates Palomar Medical Center, an acute-care hospital located in Escondido, California, and Pomerado Hospital, an acute-care hospital in Poway, California (collectively "**PPH**"). The service area of PPH is the geographic area identified in Exhibit A attached hereto ("**Service Area**").

PPH has determined that a portion of its Service Area has substantial unmet medical needs, evidenced by a population that is rapidly expanding and that is in need of services in Physician's medical specialty, urology. PPH has further determined that under available benchmark criteria, the number of physicians in its Service Area practicing in Physician's medical specialty of urology is insufficient to serve current and potential patients in need of such services.

PPH's Service Area has not proven sufficiently appealing on its own to attract and retain a suitable number of physicians in Physician's specialty. The Board of Directors of PPH has determined that it is within PPH's mission to recruit a physician in Physician's specialty who is willing to locate a medical practice in the Service Area, join the medical staff of PPH, join an appropriate physician group in the Service Area, provide a reasonable amount of charity care, and serve the medical needs of the community located in the Service Area.

Group is an independent physician practice comprised of a licensed medical doctor who provides medical care in the Service Area. Group seeks to cooperate with PPH in recruiting a qualified physician to join Group and provide medical care in the Service Area.

Physician is a medical doctor specializing in urology who is relocating his medical practice to the Service Area to become a member of the PPH medical staff. Physician is willing to join Group and establish a medical practice in the Service Area and become a member of the PPH medical staff on the terms and conditions set forth below, and in exchange therefor PPH is willing to provide assistance to Physician.

Therefore, the parties agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. As used in this Agreement, the following terms shall have the following definitions:

Electronic Health Record

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Robert Trifunovic, MD
Janine Sarti, General Counsel

BY: Board Finance Committee
Tuesday, April 28, 2009

Background: The final contract to fund a portion of the Electronic Health Record (75%) for Centre for Healthcare is being presented for approval.

Budget Impact: Fiscal year 2009: \$336,023
Fiscal Years 10 – 12: \$38,852/yr

Staff Recommendation: Approval

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the Electronic Health Record Donation and Contribution Agreement between PPH and PIMG, a Professional Medical Corporation, a California medical corporation dba Centre for Health Care Medical Associates.

Motion: X

Individual Action:

Information:

Required Time:

**ELECTRONIC HEALTH RECORD
DONATION AND CONTRIBUTION AGREEMENT**

This Electronic Health Record Donation and Contribution Agreement (the “Agreement”) is made and entered into this ____ day of _____, 2009, by and between **PALOMAR POMERADO HEALTH**, a local health care district created under Division 23 of the California Health and Safety Code (“PPH”), and **PIMG, A PROFESSIONAL MEDICAL CORPORATION**, a California medical corporation doing business as CENTRE FOR HEALTH CARE MEDICAL ASSOCIATES (“Group”), for the benefit and on behalf of the Group physicians (each a “Physician” and collectively, the “Physicians”) under the following terms and conditions:

RECITALS:

A. PPH exists to provide comprehensive health care services and facilities to the residents of North San Diego County, California, and the surrounding communities (collectively, the “PPH Communities”).

B. Group is a medical corporation organized under the laws of the State of California that provides or arranges for the provision of medical services by its Physicians for patients in the PPH Communities.

C. PPH and Group have established a positive working relationship and desire to continue that relationship on an enhanced basis for the benefit of patients in the PPH communities.

D. In order to improve patient safety, quality of care and the efficiency of the delivery of care in their facilities and the community, PPH and Group desire to implement an electronic health records (“EHR”) system to electronically link health care providers who treat patients in the PPH Communities.

E. In furtherance of its charitable purpose of enhancing the quality of health care services in the PPH Communities through the widespread adoption and implementation of an EHR system, PPH is willing to share the cost of the EHR software with Group.

F. The EHR system implemented under this Agreement is intended to enable PPH and Group to freely exchange, as appropriate and permitted by applicable laws, detailed clinical information in an effort to (1) improve patient care, (2) integrate patient care services at all levels of delivery, (3) enhance measurement of patient outcomes, (4) comply with regulatory and accreditation agency reporting requirements, and (5) assist PPH and Group in effectively providing care and in collecting, storing, retrieving and protecting patient care and related information.

G. The EHR system is designed to comply with all applicable requirements of the final rules on electronic health records issued by the Centers for Medicare and Medicaid Services (“CMS”) and the U.S. Department of Health and Human Services’ Office of the Inspector General (“OIG”).

TERMS OF AGREEMENT:

1. Applicability of Agreement. Pursuant to the terms of this Agreement, PPH shall pay a portion of the costs incurred by Group to obtain from vendors selected by Group and approved by PPH, as identified in attached **Schedule 1-A** (collectively, the “Vendors”), certain EHR software and information technology and training services necessary and used predominantly to create, maintain, transmit or receive EHR and updates and/or upgrades to items and services that achieve standardization necessary to enhance the functionality of EHR systems (and that have electronic prescribing capability) (collectively, “Covered EHR Items”). A detailed list of the Covered EHR Items being subsidized by PPH pursuant to this Agreement is set forth on **Schedule 1-B**. This Agreement does not cover and PPH will not provide or subsidize the cost of (i) any hardware which may be required by Group or the Physicians to use or operate the EHR software in the Physician’s office; (ii) personnel to staff Physician’s office; (iii) software used primarily to conduct personal business or business unrelated to the Physician’s medical practice; or (iv) software with core functionality other than EHR which can be separated from the EHR software, such as billing and collection functions (“Excluded Items”).

2. Eligibility Requirements. In order to receive subsidy payments for Covered EHR Items under this Agreement, Group and Group’s Physicians shall comply with the following, as applicable:
 - a. Physicians receiving Covered EHR Items pursuant to this Agreement shall be engaged in the business of providing medical services to patients in the PPH Communities.
 - b. Each Physician shall remain duly licensed to practice medicine in the State of California and shall maintain all certificates, registrations or other licenses necessary to practice medicine.
 - c. Neither Group nor any Physician shall have received Covered EHR Items equivalent to the Covered EHR Items being provided under this Agreement.
 - d. During the term of this Agreement, neither Group nor any Group Physician shall enter into an Agreement or negotiate with a non-PPH entity for similar or the same Covered EHR Items as are subsidized pursuant to this Agreement.
 - e. Neither Group nor any Physician shall make the receipt of EHR items of services subsidized by PPH, or the amount or nature of them, a condition of doing business with PPH.

4. Contribution.

- 4.1 The total initial cost of all Covered EHR Items covered by this Agreement, as described in **Schedule 1-B**, shall not exceed \$448,031.00 (“Permitted Costs”). For the benefit of PPH and its patients, PPH shall pay seventy five percent (75%) of the Permitted Costs (the “PPH Contribution”); but only after PPH has received written confirmation from the Vendors that Group has paid the Vendors a total of twenty five percent (25%) of the Permitted Costs (\$112,007.75) (the “Group Contribution”). The PPH Contribution shall not exceed \$336,023.25. PPH shall make payments for the Covered EHR Items directly to the Vendors pursuant to a subsidy agreement entered into between PPH and the Vendors for the benefit of Group. Payments shall be made by PPH to the Vendors promptly upon receipt of an invoice from the Vendors to PPH until the entire PPH Contribution has been paid, at which point PPH’s payment obligations under this paragraph 4.1 shall cease. No payments, in cash or otherwise, shall be made by PPH to Group or the Physicians for the Covered EHR Items. Group acknowledges and agrees that neither Group nor any Physician shall receive the Covered EHR Items unless and until Group has paid the Group Contribution to the Vendors. PPH shall not pay nor loan funds to Group or any Physician to pay the Group Contribution for the Covered EHR Items. PPH shall not pay for any Excluded Items. Group agrees that Group and the Physicians are solely financially responsible for any and all costs or expenses associated with Excluded Items.
- 4.2. Future Contributions. PPH acknowledges and agrees it will pay an amount not to exceed \$38,851.60 (*i.e.*, 40% of \$97,129) per year (“Annual Contribution”) for three (3) years, commencing one year after the installation of the first EHR system pursuant to this Agreement, to offset the costs of future upgrades of Covered EHR Items, which shall be comprised of maintenance on provider licenses (\$37,980/year), interfaces (\$5,790/year), and third-party software (\$53,359/year). All conditions and limitations set forth this Agreement shall apply. Group is solely responsible for other amounts not paid for by PPH.
- 4.3 Asset Valuation in Connection with Foundation Relationship. The parties have commenced and intend to continue good faith negotiations with respect to the possibility of PPH’s formation of a foundation (the “Foundation”) to purchase the assets of Group and to contract with Group’s Physicians directly for the provision of professional services. If the Foundation is established by PPH and if Group’s assets are purchased by the Foundation, then the Foundation shall not be obligated to pay to Group an amount equal to 75% of the agreed value of Covered EHR Items that were purchased with the PPH Contribution pursuant to this Agreement.

5. Access to EHR. Group agrees that PPH shall have access to electronic medical records created by the Physicians using the EHR software to the extent necessary and appropriate for PPH to provide services and obtain payment for patients for whom the medical records were created and to the extent permitted by and consistent with federal, state, and local laws related to privacy and confidentiality of records, including, without limitation, the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C.A. Sections 1320d-1320d-7, 45 C.F.R., Parts 142 and 160 through 164, as amended ("HIPAA"), and the Confidentiality of Medical Information Act, California Civil Code Section 56 et seq. ("CMIA") (collectively, the "Confidentiality Laws"). Neither Group nor any Physician shall take any action which would limit PPH's access to such records, except to the extent necessary or appropriate to comply with applicable Confidentiality Laws. PPH shall not restrict or limit any Physician's right or ability to use the Covered EHR Items for any patients, without regard to payor status or receipt of health care services from PPH.
6. Compatibility With Other Systems. The parties will not, and will use their best efforts to ensure that the Vendors do not, take any action to limit or restrict the use, compatibility or interoperability of the Covered EHR Items with other electronic prescribing or EHR systems.
7. Term. This Agreement shall commence on the Effective Date and shall remain in effect until December 31, 2014 ("Term"), unless otherwise terminated as provided herein.
8. Termination.
 - 8.1 Termination Upon Default. Either party (the "Nondefaulting Party") shall have the right to terminate this Agreement, effective immediately upon written notice to the other party (the "Defaulting Party"), upon the first to occur of any of the following events, each of which shall be deemed a material default by the Defaulting Party:
 - a. Defaulting Party's breach of any material provision of this Agreement to be performed by Defaulting Party where such breach continues for a period of 30 days after written notice to Defaulting Party from Nondefaulting Party stating the specific breach, unless such breach is not subject to cure within 30 days and Defaulting Party shall have demonstrated to the reasonable satisfaction of Nondefaulting Party within such 30-day period that Defaulting Party has taken sufficient remedial action to cure such breach in a reasonable period of time, in which case, the notice of termination shall not be effective, and this Agreement shall not be terminated;
 - b. commencement of proceedings, voluntary or involuntary, for the winding up and dissolution of Defaulting Party, the appointment of a receiver for the assets of Defaulting Party, the assignment by Defaulting Party of its assets for the benefit of creditors or any action or relief taken or suffered by Defaulting Party under any bankruptcy or insolvency laws; or

c. the failure of Group, without fault of PPH, to join a medical foundation created by and with PPH (the "Foundation") on or before January 1, 2010 (the "Target Date"), unless the parties to this Agreement extend the Target Date by amendment of this Agreement. If Group fails to join the Foundation on or before the Target Date without fault of PPH, and if PPH terminates this Agreement pursuant to this paragraph 8.1(c) within 2 months after the Target Date as a result of such failure, then the principal amount of the PPH Contribution actually made by PPH under this agreement will be deemed to be a loan to Group commencing as of the date the PPH Contribution was made, bearing interest at the annual rate of Prime plus 1%, determined as of the date of execution of this Agreement (the "Loan"). Notwithstanding the foregoing, the parties agree the interest on the principal amount of the Loan shall be forgiven up to and including the Target Date as consideration for Group's negotiation of the Foundation arrangement with PPH and Group's agreement not to enter into an arrangement with Scripps Health ("Scripps"), Sharp HealthCare ("Sharp"), Kaiser Medical Foundation ("Kaiser"), University of California, San Diego ("UCSD") or any affiliate of the above referenced organizations, or any other physician practice management group during the term of this Agreement, as set forth in paragraph 8.2. The Loan shall be repaid in 240 equal monthly installments of principal plus interest commencing on the first day of the first month immediately following termination of this Agreement pursuant to this paragraph 8.1(c). Group shall have the right to prepay the Loan without penalty at any time. If this Agreement is terminated pursuant to this paragraph 8.1(c), Group will sign an unsecured promissory note for the repayment of the Loan in a form substantially similar to the unsecured promissory note attached hereto as **Exhibit A**. If the Target Date is extended beyond January 1, 2010, by agreement of the parties, and if an Annual Contribution payment is made by PPH pursuant to paragraph 4.2 on or before the extended Target Date, then the principal amount of the promissory note will be increased to include the amount of the Annual Contribution actually made by PPH.

8.2 Termination Upon Group's Affiliation. If Group enters into an arrangement with Scripps, Sharp, Kaiser, UCSD or any affiliate of the above referenced organizations, or any other physician practice management group, during the Term of this Agreement pursuant to which Scripps, Sharp, Kaiser, or UCSD pays Group directly for its provision of professional medical services pursuant to a 1206(d) outpatient clinic model, 1206(l) foundation model or other medical services arrangement pursuant to which a hospital is permitted to employ, retain or compensate physicians directly for their provision of medical services, then PPH shall have the right to terminate this Agreement immediately upon written notice to Group. PPH's termination rights shall not be triggered by, and this paragraph 8.2 is not intended to restrict and shall not restrict, Group's or the Physicians' admission of patients to Scripps, Sharp, Kaiser or UCSD facilities, treatment of patients at Scripps, Sharp, Kaiser or UCSD facilities or provision of

medical director or other administrative services on behalf of Scripps, Sharp, Kaiser, UCSD or any other physician practice management group.

- 8.3 Termination Upon Change in Law. Notwithstanding anything to the contrary in this Agreement, (i) if the performance by either party of any term, covenant, condition or provision of this Agreement (a) would jeopardize the licensure or certification of PPH or Group or their participation in Medicare, Medi-Cal, or other reimbursement or payment programs, or (b) would be in violation of any statute, rule, regulation or ordinance, or otherwise be deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical field whose approval is necessary or customary for PPH or Group to exist, operate, or obtain payment for their provision of medical services in California, then the parties shall negotiate in good faith for a mutually acceptable modification of this Agreement as to such matters. The parties may immediately suspend their obligations under this Agreement pending resolution of the negotiations pursuant to this paragraph. If the parties cannot agree to so amend this Agreement within 30 days of commencing the negotiations, either party may terminate this Agreement without liability. Notwithstanding the foregoing, termination of this Agreement pursuant to this paragraph 8.3 shall not relieve either party of any obligation to the other party incurred prior to the date of termination of this Agreement.
- 8.4 Effect of Termination. Upon termination, this Agreement shall be of no further force or effect, and the responsibility for the Covered EHR Items and any upgrades, maintenance or updates shall be solely that of Group and/or each Physician.
9. Repayment for Termination Upon Default or Group's Affiliation with Scripps or Sharp. Upon PPH's termination of this Agreement pursuant to paragraph 8.1(a) or paragraph 8.2, PPH may demand repayment of a prorated amount of the PPH Contribution and Annual Contribution paid by PPH under this Agreement.
10. Independent Parties. It is acknowledged and agreed by PPH and Group that neither the Agreement nor the relationships established to carry on the intent, purposes and terms of this Agreement are intended nor shall they be construed to create a joint venture or employment relationship or any relationship other than that of independent contracting parties. To the extent that any federal, state, or local laws or regulations require reporting, withholding or other obligations on a party, that party will perform them in accordance with such law and regulations and provide evidence of the same to the other party upon request.
11. Confidentiality of Information. Each party acknowledges that in connection with the performance of its duties and obligations under this Agreement, that party may be acquiring and making use of certain confidential information and trade secrets of the other party, which may include, without limitation, management reports, financial statements, internal memoranda, reports, and other materials, records and/or information of a proprietary nature ("Confidential Information"). Neither party shall use Confidential Information except in connection with this Agreement, or divulge Confidential

Information to any third party, unless the party to whom the Confidential Information belongs consents in writing to such use or disclosure is required by law. Each party shall comply with the applicable federal, state and local laws and regulations governing the confidentiality of all patient medical records and peer review information. Without limiting other possible remedies for breach of this covenant, the parties agree that injunctive or other equitable relief shall be available to enforce this covenant, such relief to be without the necessity of posting a bond, cash or otherwise.

12. Notices. Any notice, demand, or communication required, permitted, or desired to be given hereunder, shall be deemed effectively given and received when personally delivered, delivered by commercial courier service, transmitted by confirmed telefacsimile, or on the third (3rd) day after deposit if mailed by prepaid certified or registered mail, return receipt requested, addressed as follows, or to such other address(es), and to the attention of such other person(s) or officer(s) as either party may designate by written notice:

PPH:

Medical Staff Development Officer
456 Grand Avenue
Escondido, CA 92025

cc: General Counsel
Legal Department
15255 Innovation Drive
San Diego, CA 92128

Group:

PIMG President
15611 Pomerado Road
Poway, CA 92064

13. No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties, their successors and permitted assigns. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights on any third party, including, without limitation any patients of the Physicians, to seek, enforce or recover any right or remedy with respect hereto.
14. Governing Law. This Agreement has been awarded, executed and delivered in, and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of California excepting only to the extent preempted by or to which federal law prevails.
15. Assignment. Neither this Agreement nor any right or benefit under it may be assigned by Group without the specific written consent of PPH.

16. Referral Policy. The parties acknowledge and agree that nothing contained in this Agreement shall require (directly or indirectly, explicitly or implicitly) either party to refer or direct any patients or other business to the other, to any affiliate of a party, or to any other person. Neither Group's nor Physicians' eligibility for the Covered EHR Items is determined in a manner that directly takes into account the volume or value of referrals or other business generated between the parties. Group represents and warrants, for itself and on behalf of its Physicians, that it has not made the receipt or the amount or nature of the Covered EHR Items a condition of doing business with PPH.
17. Entire Agreement. This Agreement covers all of the EHR items and services to be provided by PPH to Group's Physicians. While this Agreement is in effect, the parties will comply with the final regulations issued by the U.S. Department of Health and Human Services relating to EHR items and services.
18. Dispute Resolution. All controversies, claims, disputes or counterclaims arising out of, relating to or in connection with this Agreement or any resulting transaction, whether involving a disagreement about meaning, interpretation, application, performance, breach, termination, enforceability or validity and whether based on statute, tort, contract, common law or otherwise ("Dispute"), shall be resolved by binding arbitration as set forth in this paragraph 18.
 - 18.1 Arbitration. At any time, any party may commence binding arbitration proceedings by providing the other party written notice of intent to arbitrate ("Notice"). Arbitration of the Dispute shall be conducted in accordance with the procedures set forth in Title 9 of Part III of the California Code of Civil Procedure (Sections 1280, *et seq.*). The arbitration shall be conducted in San Diego, California, and the proceedings shall be governed by California law. The arbitrator shall be any independent third party agreed upon by the parties, but if the parties cannot agree within 15 days from the date Notice is given, then any party may file a petition with the San Diego County Superior Court, North County Division, for the appointment of a neutral arbitrator pursuant to California Code of Civil Procedure Section 1281 *et seq.* The arbitration proceeding shall be completed within 60 days after appointment of the arbitrator and the arbitrator's award shall be issued within 30 days after termination of the arbitration proceeding, unless the parties otherwise agree.

The arbitrator shall have jurisdiction over the Dispute, and the decision of the arbitrator shall be final and binding upon the parties. Depositions may be taken and discovery may be conducted in the manner designated by the arbitrator with good cause shown by the parties. The cost of the arbitration and the arbitrator's fees shall be shared equally by the parties. The attorneys' fees and costs incurred by the prevailing party shall be paid by the nonprevailing party, as determined by the arbitrator, pursuant to paragraph 19. Judgment upon the arbitration award may be entered in any court having jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as applicable.

- 18.2 Provisional or Ancillary Remedies. The provisions of this paragraph shall not limit the right of any party under California Code of Civil Procedure Section 1281.8 to obtain or oppose provisional or ancillary remedies, including, without limitation, temporary protective or restraining orders, preliminary and permanent injunctions, writs of possession, appointment of a receiver and such other provisional relief as a court of competent jurisdiction may deem appropriate ("Provisional Remedies") before the commencement of arbitration proceedings under this Agreement. The arbitrator shall have the power to grant Provisional Remedies during or after the pendency of the arbitration proceedings under this Agreement and may modify any previous Provisional Remedies granted by a court.
- 18.3 Negotiation or Mediation. The parties may, by mutual written agreement only, stay the commencement of the arbitration proceedings from time to time as they may mutually agree to allow for any form of negotiation or mediation of the Dispute.
19. Attorneys' Fees. If any party commences or is made a party to any litigation or other judicial or administrative proceeding ("Proceeding") to enforce, interpret or obtain a declaration of rights under this Agreement, the prevailing party in any such proceeding shall be entitled to recover from the other party all attorneys' fees, costs (whether otherwise taxable or recoverable) and expenses incurred in connection with such a proceeding or any appeal or enforcement of any judgment obtained in any such proceeding. Any judgment or order entered in any proceeding shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment or order. This attorneys' fees provision is intended to be severable from the other provisions of this Agreement, shall survive any judgment or order entered in any proceeding and shall not be deemed merged into any such judgment or order.
20. Counterparts. This agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Execution and delivery of this Agreement by delivery of a facsimile or electronically recorded copy (including a .pdf file) bearing a copy of the signature of a party shall constitute a valid and binding execution and delivery of this Agreement by such party. Such copies shall constitute enforceable original documents.
21. Construction. This agreement has been negotiated at arms length and each party has been given the opportunity to be represented by legal counsel and to the extent each party has deemed necessary, each party has consulted with independent legal counsel with respect to such party's rights and obligations under this Agreement. Accordingly, any rule of law (including without limitation California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the party drafting it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to effect the intent of the parties and the purpose of this Agreement.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date above.

PPH:

PALOMAR POMERADO HEALTH

By: _____

Name: Robert A. Hemker

Title: Chief Financial Officer

Date: _____

GROUP:

PIMG, A PROFESSIONAL MEDICAL CORPORATION

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 1-A

VENDORS

NextGen and associated vendors

SCHEDULE 1-B
COVERED EHR ITEMS

EXHIBIT A

PROMISSORY NOTE

\$336,023.25

Date: _____
San Diego, California

For value received, PIMG, A PROFESSIONAL MEDICAL CORPORATION (“Maker”), promises to pay to the order of PALOMAR POMERADO HEALTH (“Payee”), at _____, or such other address as Payee may from time to time designate in writing, the principal sum of Three Hundred Thirty-Six Thousand Twenty-Three Dollars and Twenty-Five Cents (\$336,023.25), plus interest at the annual rate of ____%. Interest shall be calculated on the basis of a three hundred sixty-five (365) day year and thirty (30) day months, but shall accrue and be payable for the actual number of days in each month during which any part of Maker’s indebtedness to Payee under this Note is outstanding. Interest shall be due and payable in arrears as specified herein.

Payment shall be made in 240 equal monthly installments of principal plus interest, commencing on _____ and continuing on the first day of each calendar month thereafter until this Note is paid in full. In any event, this Note shall be fully due and payable no later than _____ (“Maturity Date”).

Maker shall have the right at any time to prepay without penalty all or any portion of the unpaid principal balance of this Note. Payment shall be in lawful money of the United States.

Each of the following events shall be an “Event of Default” hereunder:

(a) Maker’s failure to timely pay any amount due under this Note on or before the date the same becomes due and payable, where such failure is not cured within 5 days after delivery of written notice of default from Payee;

(b) Maker’s filing of a petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or making any assignment for the benefit of creditors or taking any action in furtherance of any of the foregoing;

(c) the filing of an involuntary petition against Maker (unless such petition is dismissed or discharged within sixty (60) days) under any bankruptcy statute now or hereafter in effect, or appointment of a custodian, receiver, trustee or assignee for the benefit of creditors (or other similar official) to take possession, custody or control of any property of Maker;

(d) the taking of any action by Maker to terminate the business affairs of Maker and/or to liquidate Maker’s assets or dissolve; or

(e) the sale or other disposition of all or substantially all of the assets of Maker.

Upon the occurrence of an Event of Default, and in addition to all other remedies available to Payee, Payee may, at Payee’s option, declare all unpaid principal, accrued interest and other amounts owing under this Note automatically and immediately due, payable and collectible by Payee, without notice or demand.

Maker waives presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note, and shall pay all costs of collection as and when incurred by Payee, including, without limitation, reasonable attorneys' fees, costs and other expenses. Maker agrees to pay to Payee all sums owing under this Note without deduction, offset or counterclaim of any kind. The relationship of Maker and Payee under this Note is solely that of borrower and lender, and not partners or joint venturers.

If Maker fails to pay this Note in accordance with its terms and if any proceeding is instituted by Payee to collect payment under this Note, then Maker agrees to pay all attorneys' fees incurred by Payee with respect to any such proceeding and all costs and expenses incurred by Payee with respect to such proceeding or in the collection of the amounts due under this Note.

The provisions of this Note shall inure to the benefit of and be binding on any successor to Maker and shall extend to any holder of this Note, including the successors, assigns, representatives, heirs, legatees, devisees, administrators, executors, and trustees of Payee.

This Note shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Venue for all disputes and proceedings in connection with this Note shall be in San Diego, California.

MAKER:

PIMG, A PROFESSIONAL MEDICAL
CORPORATION

By: _____

Print Name: _____

Title: _____

EMR Calculations 9/11/08

Prepared for: Centre for Healthcare

Version: 20071121

Item	Description	QTY	Unit Price	Extended Price
Software				
	NextGen EMR Provider License(s)	36	\$ 10,000	\$ 360,000
	NextGen EMR Mid-Level Provider License(s)	6	\$ 7,000	\$ 42,000
	NextGen ICS Provider License(s) - included with EMR/EPM/BSP/Express Lic.	42	incl. \$	-
	NextGen EMR RTF Monitor - Per Provider License - included with EMR/Express Lic.	42	incl. \$	-
	NextGen RTS (Real-Time Transaction) - Per Provider - included with EPM/BSP Lic.	42	incl. \$	-
Practice License Fee				
	Practice License Fee for EMR	1	\$ 20,000	\$ 20,000
Knowledgebases - Company Owned				
	NextGen® Knowledge Base Model to include:			
	Audiology	1	incl.	incl.
	Behavioral Health	1	incl.	incl.
	Cardiology	1	incl.	incl.
	Cardiology EP	1	incl.	incl.
	Cardiology Vascular	1	incl.	incl.
	Correctional Health	1	incl.	incl.
	Dermatology	1	incl.	incl.
	Ear, Nose & Throat (ENT)	1	incl.	incl.
	Family Practice	1	incl.	incl.
	Gastroenterology	1	incl.	incl.
	General Surgery	1	incl.	incl.
	Internal Medicine	1	incl.	incl.
	Neurology	1	incl.	incl.
	Neurosurgery	1	incl.	incl.
	Nutrition Services	1	incl.	incl.
	OB/Gyn	1	incl.	incl.
	Oncology	1	incl.	incl.
	Ophthalmology ASC	1	incl.	incl.
	Ophthalmology	1	incl.	incl.
	Orthopedics	1	incl.	incl.
	Pediatrics	1	incl.	incl.
	Physical Therapy	1	incl.	incl.
	Pulmonary	1	incl.	incl.
	Retina	1	incl.	incl.
	Rheumatology	1	incl.	incl.
	Urology	1	incl.	incl.
Software Subtotal:				\$ 422,000

Interfaces

LabCorp: Order Entry & Test Results	1	\$	6,000	\$	6,000
Televox Software, Inc. - Televox: Demographic Export & Document Import	1	\$	6,000	\$	6,000

NOTE: For those Lab Interfaces selected above, it is the responsibility of the Client to pay for such Interfaces, as the Lab Vendors may not pay for such interfaces on behalf of the client.

Valley Radiology, Demographics	1	\$	12,000	\$	12,000
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NOTE: Any interface listed above will use NextGen's proprietary Company HL7 Interface Engine format.

Electronic Claims Interface(s) - 1-time Fees for connection and setup:

Electronic Claims, ERA to Navicare	1		n/c	n/c	
Electronic Claims, ERA to Gateway EDI	1		n/c	n/c	
Electronic Claims, ERA to ViaTrack	1		n/c	n/c	
Electronic Claims, ERA to ENSHealth	1		n/c	n/c	

NOTE: No other Electronic Claims interfaces are included. Any fees listed above are those charged by NextGen and may not include additional Clearinghouse/Payer fees for set-up, implementation, or recurring monthly transaction/provider charges.

Ophthalmic and other HL7 or Video/Print Diagnostic Interface(s):

Digital Slit Lamp Cameras, Any (w/Composite/S-Video), Composite / S-Video, Video capture of data direct to NextGen® EMR	1	\$	2,500	\$	2,500
Hiedelberg, Retina Tomograph HRT II, RS232, Interface pushes demographic data to modality software allowing image viewing from NextGen® EMR	1	\$	2,500	\$	2,500
Humphrey, IOL Master , Print Capture, NextGen® EMR Template executable to receive Black and White Data Image over Printer Port	1	\$	2,500	\$	2,500
Humphrey, Visual Field Analyzer (HFA or VFA) 7xx, Print Capture, NextGen® EMR Template executable to receive Black and White Data over Printer Port	1	\$	2,500	\$	2,500
Nidek, EPIC (EPIC 2100), RS232, Directly integrated into NextGen® EMR using DLL or KBM Template for numeric data	1	\$	5,000	\$	5,000
Tomey, TR-4000 ARK, RS232, Directly integrated into NextGen® EMR using DLL or KBM Template for numeric data	1	\$	4,000	\$	4,000
Topcon, ImageNet Software for either Digital Imaging System OR non-Myd Camera, Proprietary , Interface pushes demographic data to modality software allowing image viewing from NextGen® EMR	1	\$	5,000	\$	5,000

Interfaces Subtotal: \$ 48,000

Third Party Software

Libraries - yearly subscription fee /updated per year / per provider

NextGen Patient Education (EMR only) - Annual / Per Provider/Workstation	42	\$	195	\$	8,190
First Data Drug Database with Integrated Interaction Module (EMR only) - Annual per Provider	42	\$	139	\$	5,838
InfoScan Formulary Database (EMR only) - Annual per Provider	42	\$	395	\$	16,590
ACP PIER Content (EMR only) - Annual per Provider	42	\$	295	\$	12,390
RxHub Formulary Database (EMR only) - Annual per Provider	42		incl.	\$	-
SureScripts ePrescribing (EMR only) - Annual per Provider	42	incl.		\$	-
Instant Medical History (requires Rosetta Interface Engine)	42	incl.		\$	-
Medical Necessity (LMRPs / NCDs) - Per Practice / Year	1	\$	2,000	\$	2,000

Note: 3rd Party Software is annual renewable based on the number of Providers or Users. Unless NextGen receives notification from the client, NextGen will automatically renew the 3rd Party Software Licenses and invoice accordingly.

NextGen eLearning

Additional eLearning Licenses to be Purchased (Annual Fee for each Lic.)	13	\$	199	\$	2,587
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eLearning Licenses purchased herein include a one year subscription to the NextGen education via the Internet at your convenience. After the first year, the eLearning License will be renewed at the then prevailing rate, unless expressly communicated to NextGen that you are no longer interested in using the eLearning License. Any Practice or Enterprise Registration Fees are 1-time fees and not subject to annual renewals.

Other Third Party Software

Crystal Reports Professional Ad-Hoc Report Generator (Retail Box w/Media)	1	\$	496	\$	496
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Third Party Software Subtotal:

\$ 48,091

Services

Interface Installation for Lab, Hospital, PMS, RIS, PACS, Documents and Devices	12	\$	225	\$	2,700
Consulting Service Hours for Conversions and/or Interfaces	16	\$	225	\$	3,600
Installation & Configuration Services for Full EMR/EPM Software: over 5 Providers	9	\$	225	\$	2,025
ICS Installation Services (includes Remote Sites, Bar Code and OCR, if applicable)	51	\$	225	\$	11,475
ICS Implementation/Training Services (ncludes Remote Sites, Bar Code and OCR, if applicable)	8	\$	75	\$	600
RxHub Installation Services	4	\$	225	\$	900
RxHub Implementation/Training Services	2	\$	75	\$	150
InfoScan Formulary Database Installation Hours	1	\$	225	\$	225
InfoScan Formulary Database Implementation/Training Hours	4	\$	75	\$	300
Patient Education Installation Hours	1	\$	225	\$	225
Patient Education Implementation/Training Hours	1	\$	75	\$	75
ACP PIER Content Installation Hours	-	\$	225	\$	-
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Instant Medical History Implementation/Training Hours	4	\$	75	\$	300

NextGen Hours for EMR and/or EPM Implementation Services

EMR/EPM Implementation Services may include some or all of the following: Project Management or Coordination; Project Implementation Meeting; System Check, Definition Workshop (DWS) Training/Review; Database Review; Database Review; Core Group Training (CGT); Tuning/Testing; Go-Live, Advanced Training, Physician Resource Assistance, and Post Go-Live Audit, as described in Attachment A.

			\$	-
			\$	-
Project Management (over 5 Providers for any Product)	73	\$	225	\$ 16,425
Pre-Implementation Meeting/Consulting	13	\$	225	\$ 2,925
System Check via WebEx	7	\$	75	\$ 525
Definition Workshop Training/Review at NextGen Offices	43	\$	75	\$ 3,225
Database Review via WebEx	7	\$	75	\$ 525
Core Group Training at Client Location	47	\$	225	\$ 10,575
Tuning and Testing via WebEx	17	\$	75	\$ 1,275
Go-Live	43	\$	225	\$ 9,675
Advanced Training at NextGen Offices or via WebEx	24	\$	75	\$ 1,800
Physician Resource Assistance	58	\$	225	\$ 13,050
Post Go-Live Audit at Client Location	22	\$	225	\$ 4,950
			\$	-
<i>Additional / Incremental EMR Services as desired by Client</i>			\$	-
Interface Training/Testing Hours (Hospital, Labs, PACS, RIS, Devices)	39	\$	75	\$ 2,925
Template Editor and Report Development Training at NextGen Offices	35	\$	75	\$ 2,625
Purchase of Additional Standard EMR Training HOURS at Client Location	40	\$	225	\$ 9,000
			\$	-
Purchase of Additional Reduced Rate EMR Training HOURS - NG Offices/WebEx	24	\$	75	\$ 1,800
			\$	-
			\$	-
Services Subtotal:			\$	104,925

* Implementation hours based upon Customer using existing NextGen and/or purchased templates with minimum or no modifications made by company. Modifications to existing templates and/or Custom Design may be contracted through NextGen Healthcare Information Systems, Inc. at NextGen's current hourly rate of \$225.00 /hour. Also, the practice can optionally build their own screens.

Summary

Software	\$ 422,000
Interfaces	\$ 48,000
Third Party Software	\$ 48,091
Services	\$ 104,925
Total System Price:	\$ 623,016
Site Reference Discount	\$ (134,130)
Additional Discount	\$ (22,355)
Interface Discount	\$ (18,500)
Total Revised System Price	\$ 448,031
Total Discounts for this Proposal are:	\$ (174,985)

Prepared for: Centre for Healthcare

Version: 20071121

Item	Description	QTY	Unit Price	Extended Price
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Software Subtotal:				\$ 422,000

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Purchase of Additional Reduced Rate EMR Training HOURS - NG Offices/WebEx	24	\$	75	\$ 1,800
				\$ 104,925
			Services Subtotal:	\$ 104,925

* Implementation hours based upon Customer using existing NextGen and/or purchased templates with minimum or no modifications made by company. Modifications to existing templates and/or Custom Design may be contracted through NextGen Healthcare Information Systems, Inc. at NextGen's current hourly rate of \$225.00 /hour. Also, the practice can optionally build their own screens.

Summary

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	Total System Price:	\$	623,016
	Site Reference Discount	\$	(134,130)
	Additional Discount	\$	(22,355)
	Interface Discount	\$	(18,500)
	Total Revised System Price	\$	448,031
	Total Discounts for this Proposal are:	\$	(174,985)

Friendly PC

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Robert Trifunovic, MD

BY: Board Finance Committee
Tuesday, April 28, 2009

Background: A request to approve a business model to facilitate growth of primary care and needed specialties for the District was presented to the Board Finance Committee.

One of the largest problems within the District is the lack of a business model to help grow the physician presence within the District. This lack of assistance results in the physician leaving or never even coming to practice here. The Foundation Model will eventually be a superb modality to build and brand our District, but in the interim we need a nimble and quick version to facilitate some of the regional needs.

The Friendly PC can accommodate this as it is a private practice office setting that is unencumbered with the District's overhead structure. The District, though, will have the ability to make sure the partnering of the office to the District will serve the community needs that the District wants to be served. These ideals will be facilitated by entering into an Administrative Agreement and a Succession Agreement with the sole shareholder of the corporation. This sole shareholder would be an employee of the District in a liaison position to the workings of the medical staff. In this particular situation, Dr. Robert Trifunovic is the sole shareholder.

The office would then be run as a regular medical office providing care to the community. The District would then be able to help other providers move into and fill the needs of the community.

Budget Impact: Fiscal Year 2010: Initial Capitalization of \$300,000 to \$400,000, with a presumption that the corporation will be self-sustaining in the first year and the capitalization will be collateralized against the A/R

Staff Recommendation: Approval

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval for the formation of a Friendly PC Business Model with Dr. Robert Trifunovic.

Motion: X

Individual Action:

Information:

Required Time:

Cerner Remote Hosting Option (RHO)

TO: Board of Directors
MEETING DATE: Monday, May 11, 2009
FROM: Steve Tanaka, CIO
BY: Board Finance Committee
Tuesday, April 28, 2009

Background: PPH can realize significant benefits in improved performance and reliability, reduced risk from systems outages and greater cost efficiencies through outsourcing our Cerner data center services to the Cerner Corporation.

Budget Impact:

7Yr Cost: PPH Hosted: \$24,518,479
Cerner RHO: \$20,857,440
Benefit/(Loss): \$3,661,039

Staff Recommendation: Board Approval for the adoption of the RHO model for Cerner Technology Support

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval for the outsourcing of the PPH Cerner data center services to the Cerner Corporation.

Motion: X

Individual Action:

Information:

Required Time:

Cerner Clinical Systems Remote Hosting Option (RHO)

April 2009

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Summary & Recommendation

Summary: PPH can realize significant benefits in improved performance and reliability, reduced risk from systems outages and greater cost efficiencies through outsourcing our Cerner data center services to the Cerner corporation

We recommend:

- Board Approval to adopt RHO model for Cerner Technology Support

- 7 Year Cost:

PPH Owned/Managed	\$24,518,479
Cerner RHO	<u>\$20,857,440</u>
Net Benefit/(Loss)	\$ 3,661,039

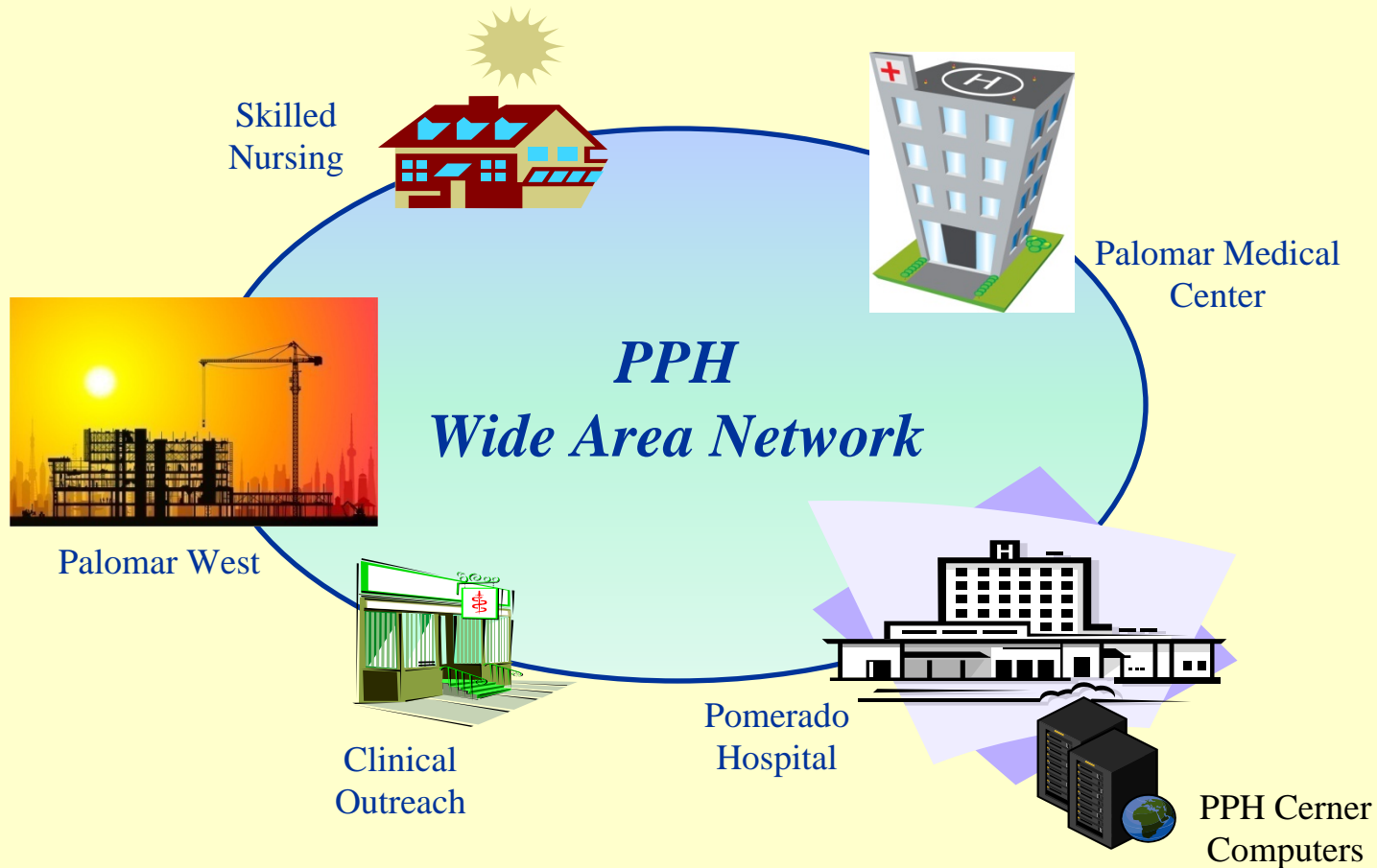
What is Remote Hosting?

Remote Hosting Option (RHO) - Cerner product name for their Data Center Outsourcing solution

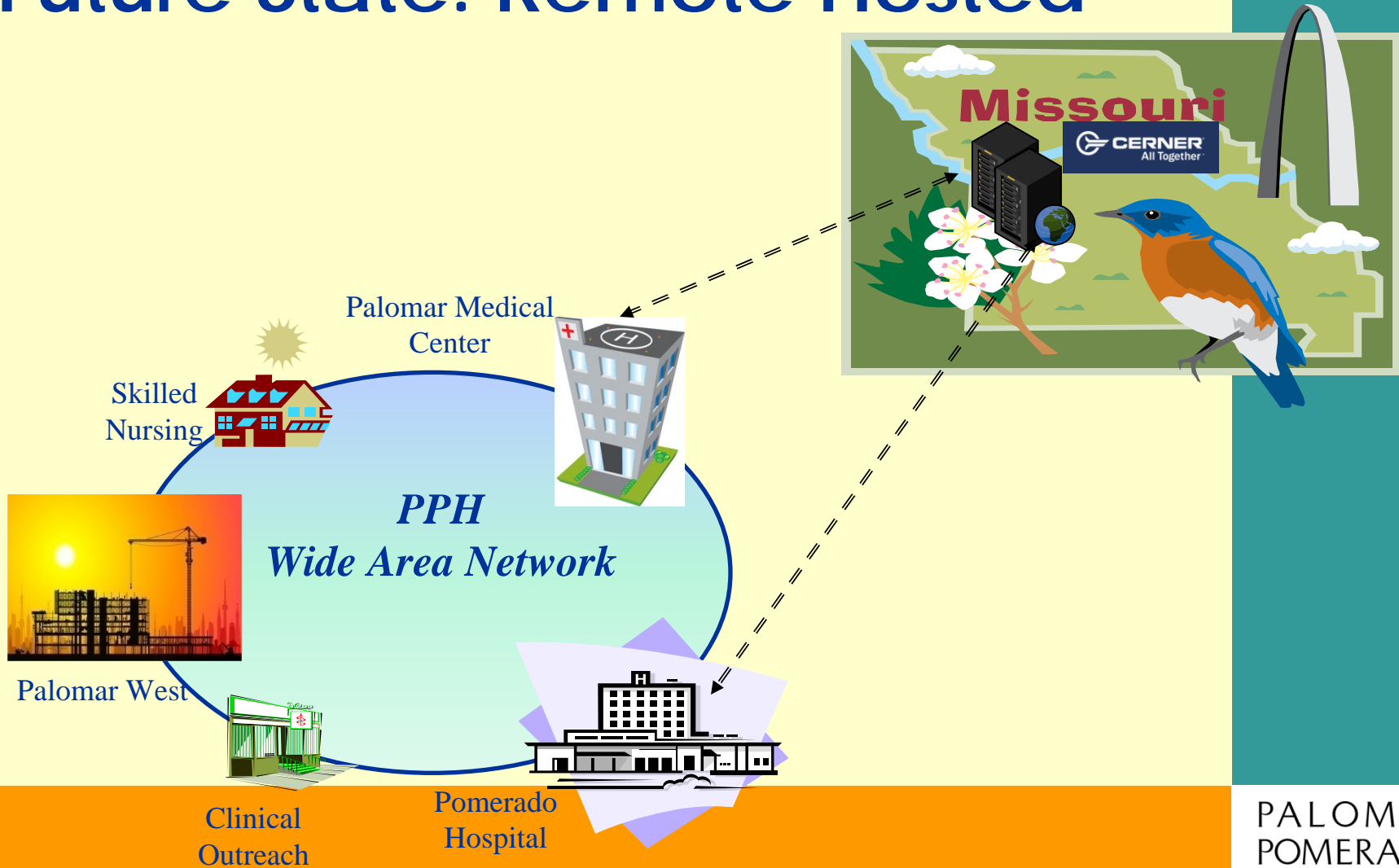
The services included within this offering include:

- Data Center, Power, A/C
- Hardware (e.g., Computers, Storage)
- Wide Area Network Connections - KC to PPH
- Operating System Administration - AIX Sys Admin
- Database Administration - Oracle DBA
- Some Local Area Network Admin - Citrix LAN Admin

PPH Cerner Clinical Systems- Current State: Client Hosted



PPH Cerner Clinical Systems- Future State: Remote Hosted



Why RHO Makes Sense Now...

- PPH EHR Plans require two major hardware purchases over next 2-3 years - RHO converts capital purchase to service fee
- Cerner RHO Service has matured significantly over past 3 years - Scheduled and unscheduled outages will decrease
- Cerner 7/24 addresses significantly addresses BC/DR “Islands of Survivability” considerations
- PPH management of Cerner “base technology” does not bring the best value to the organization

How was PPH Staff Impacted

3 PPH IS Technical Positions Eliminated

- AIX System Administrator
- Oracle DBA
- Citrix LAN Administrator

General IS Staff response

- Significant concern about job stability
 - Interpretation that this is first sign of layoffs to come
 - Shift in direction toward total outsourcing

Discussed in two department “town hall sessions” and on-going communication

Questions?

Cerner Fixed Technology Fee (FTF) Extension Electronic Health Record (EHR) Projects

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Steve Tanaka, CIO

BY: Board Finance Committee
Tuesday, April 28, 2009

Background: The Electronic Health Record (EHR) is required to support PPH strategic objectives, including the design requirements for Palomar West. This proposal recommends the extension of the current Cerner Millennium contract through 2016 to include PPH EHR Projects.

Budget Impact: 5 yr cost: \$ 25,867,761

Staff Recommendation: Board approval to extend the Cerner Master Fixed Technology Fee (FTF) Agreement thru 2016

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval for the extension of the Cerner Master Fixed Technology Fee (FTF) Agreement, to include PPH Electronic Health Record (EHR) Projects, through the year 2016.

Motion: X

Individual Action:

Information:

Required Time:

Cerner Clinical Systems Fixed Technology Fee Master Cerner Extension

April 2009

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Summary & Recommendation

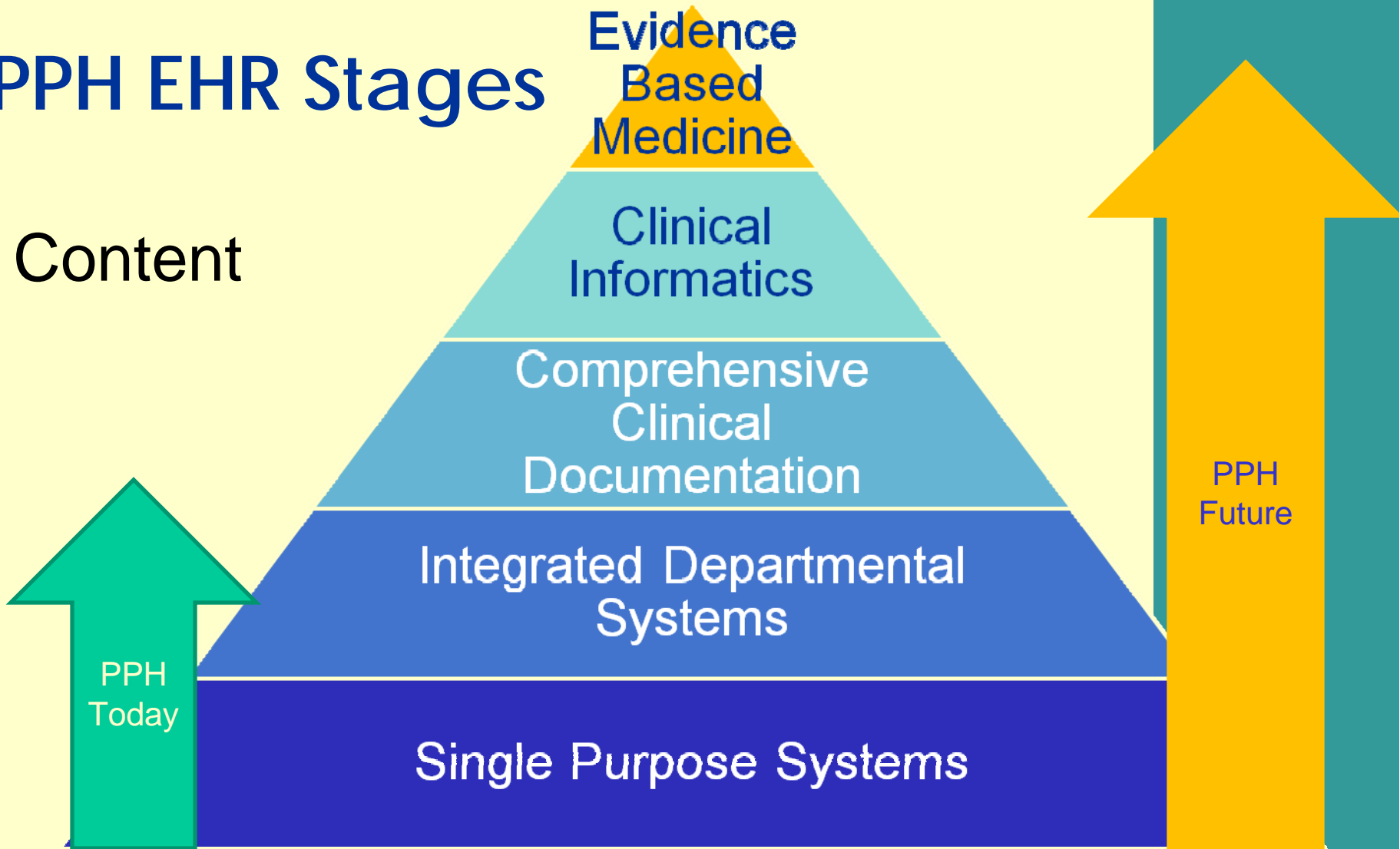
Summary: The Electronic Health Record (EHR) is required to support PPH strategic objectives, including the design requirements for Palomar West

Recommendations:

- Board Approval to extend Cerner Master Fixed Technology Fee (FTF) Agreement thru 2016
- Timeliness of decision making is critical to opening of PMC West
- 5 year Investment Request
\$ 25,867,761

PPH EHR Stages

Content



What is the FTF Agreement?

The Cerner Fixed Technology Fee Agreement is the extension of the initial Cerner contract for the seven years beginning in July 2009 and ending in 2016

The agreement includes continued contractual support for current production applications and includes fees for the implementation of strategic applications which will support the Electronic Health Record Strategy focused on the opening of Palomar Medical Center West

FTF Continued Support

- Ongoing seven (7) year license, subscription, maintenance and application support for all current clinical and financial core production Cerner applications

FTF New Strategic Projects

- Foundational Millennium Upgrades (3 in 7 years)
- Document Imaging - CPDI
- Advanced Clinical Views - (IVIEW/Apache)
- Knowledge Driven Physician Order Entry - CPOE with Zynx
- Bar Code Med Administration - PPOC
- Enhanced Clinical Reporting - Power Insight
- Handheld Specimen Collection Bar Coding
- Anesthesia
- Nursing Indicators/Monitors - Lighthouse

FTF Optional Strategic Projects

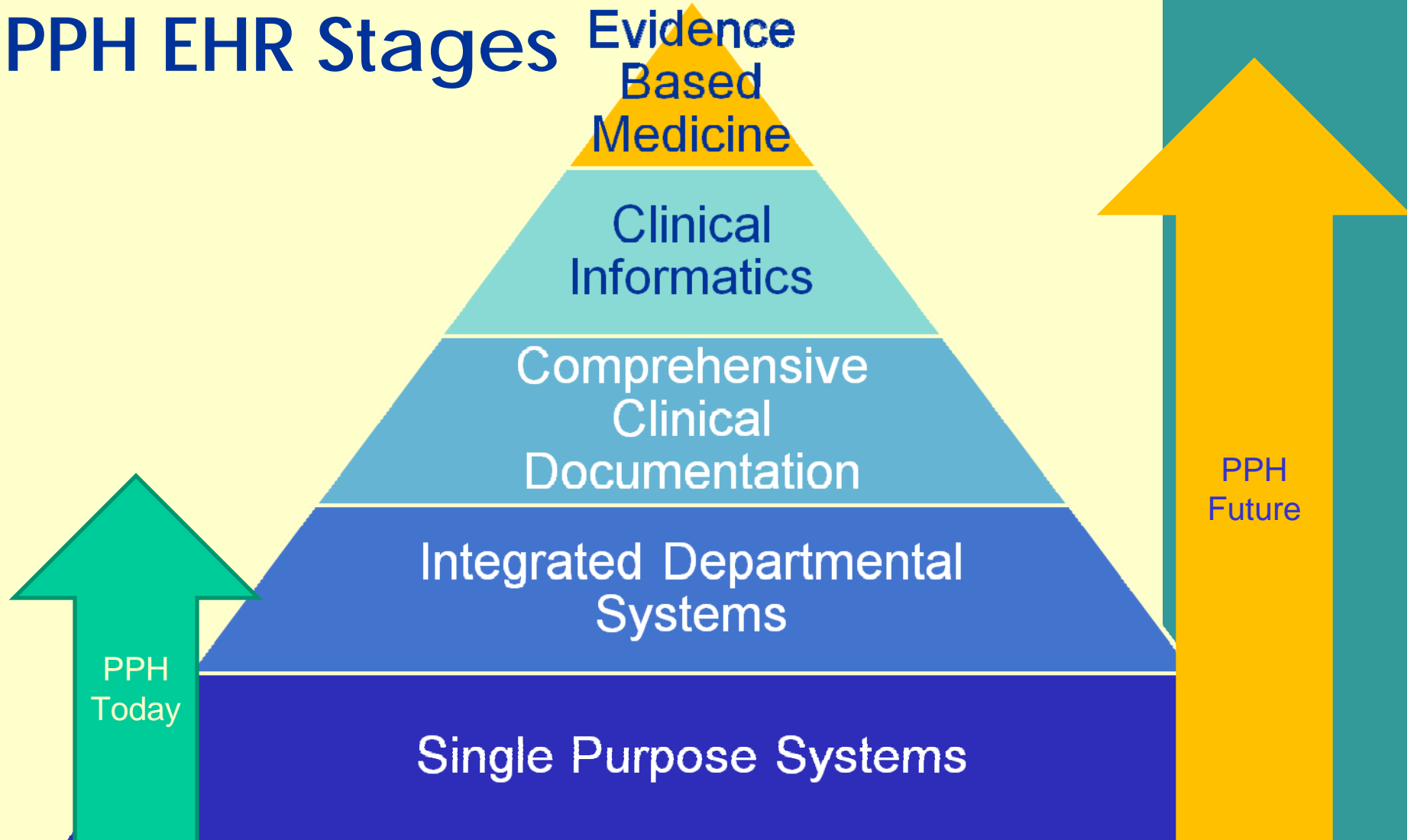
- Web based Clinical reporting - mPages
- Enhanced Patient Financials - Transaction Services
- Discharge Instructions - Exit Care
- Rehabilitation Clinical Content

What is the FTF 5-yr Cost?

Category	FY10	FY11	FY12	FY13	FY14	5 Year Cost
CERNER FTF PROGRAM COSTS						
FTF Total Capital Impact	\$ 92,484	\$ 92,484	\$ 1,903,470	\$ 2,537,960	\$ 2,537,960	\$ 7,164,359
FTF Operating Expense Impact	\$ 928,663	\$ 1,085,447	\$ 1,683,097	\$ 1,889,460	\$ 1,910,898	\$ 7,497,564
FTF Financing Cost	\$ -	\$ -	\$ 170,164	\$ 226,886	\$ 226,886	\$ 623,935
PPH Project Costs						
IVIEW/CareAware/Apache	\$ 1,847,479	\$ 152,568	\$ 152,568	\$ 152,568	\$ 152,568	\$ 2,457,751
Anesthesia				\$ 677,305	\$ 93,600	\$ 770,905
CPOE	\$ 3,728,278	\$ 731,538	\$ 731,538	\$ 731,538	\$ 731,538	\$ 6,654,430
Spec Collection HH		\$ 1,121,700	\$ 46,800	\$ 46,800	\$ 46,800	\$ 1,262,100
PPOC		\$ 2,665,441	\$ 140,400	\$ 140,400	\$ 140,400	\$ 3,086,641
Power Insight		\$ 548,385	\$ 187,200	\$ 187,200	\$ 187,200	\$ 1,109,985
CPDI	\$ 1,189,597	\$ 136,236	\$ 136,236	\$ 136,236	\$ 136,236	\$ 1,734,541
Lighthouse		\$ 444,700	\$ 46,800	\$ 46,800	\$ 46,800	\$ 585,100
Cerner Travel to PPH	\$ 300,000	\$ 300,000	\$ 111,420	\$ 155,710	\$ 155,710	\$ 1,022,840
PPH Travel to Cerner	\$ 35,000	\$ 35,000	\$ 7,500	\$ 7,500	\$ 5,000	\$ 90,000
TOTAL Cerner FTF Program Costs	\$ 8,121,501	\$ 7,313,499	\$ 5,317,194	\$ 6,936,363	\$ 6,371,596	\$ 34,060,152
ROI Data						
CPDI - Document Imaging						\$ (8,192,391)
Net Investment Requested						\$ 25,867,761

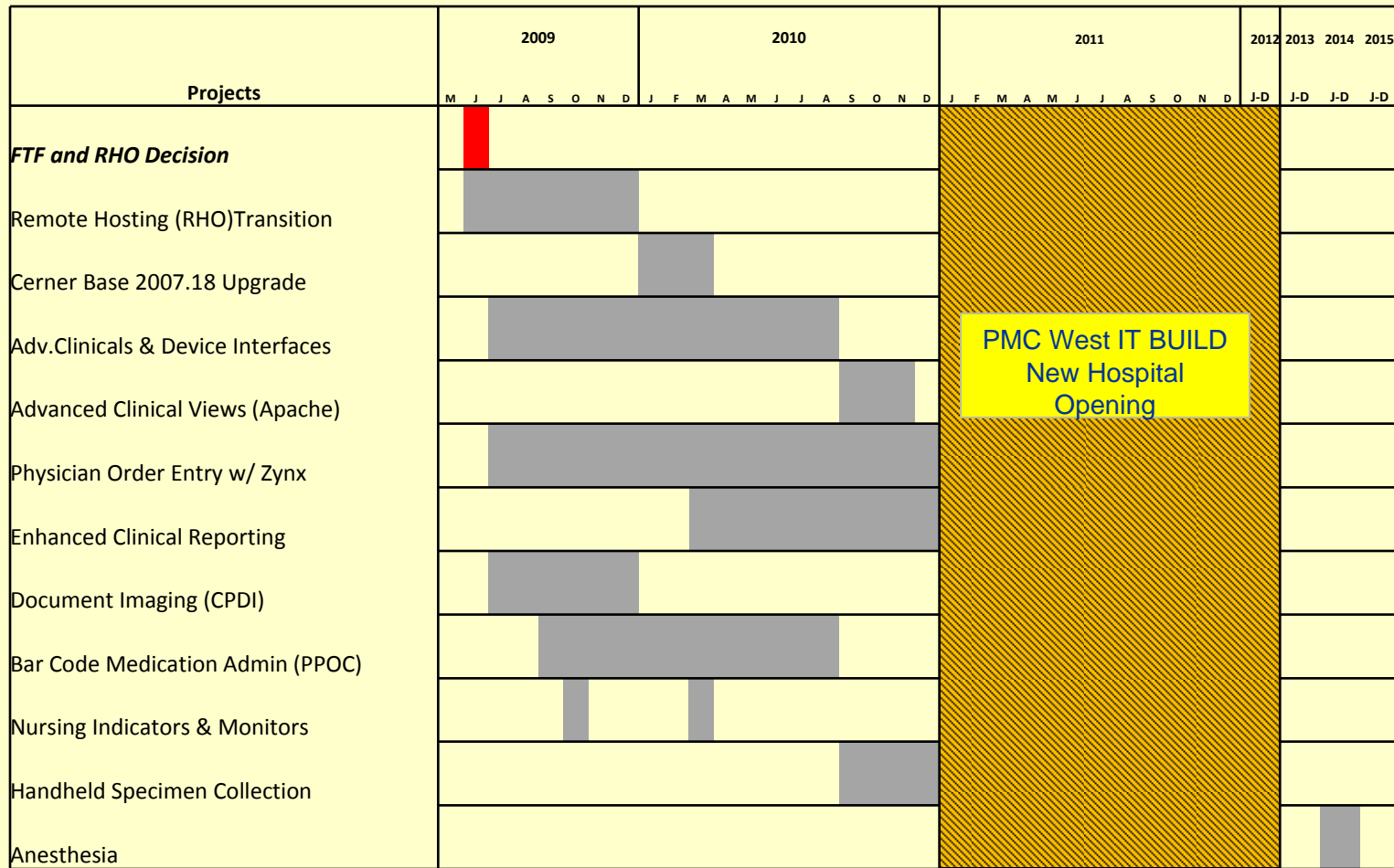
Questions?

PPH EHR Stages



PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

PPH EHR Project Timeline



INFORMATION: Kids Helping Kids

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Tina Pope, Director Community Development
Palomar Pomerado Health Foundation

BY: Children's Miracle Network Program "Kids Helping Kids"
Valley Center High School
Student: Coordinator, Alana Pudgil and Student Leadership
Advisor: VC High School Asst Principal

BACKGROUND: Children's Miracle Network coordinates a program called "Kids Helping Kids". This evening we'll be hearing from Student Leadership at Valley Center High School who have adopted the program and their unique fundraising efforts that will support the Neonatal Intensive Care Unit at Palomar Medical Center. A short video will be shown as well.

BUDGET IMPACT: None

STAFF RECOMMENDATION: None

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Information: Annual Update of Community Activities and Preliminary Outcome of ACS Survey

TO: Board of Directors, Monday, May 11th, 2009

FROM: Gerald Bracht, Chief Administrative Officer PMC
Dr Steele, Trauma Medical Director PMC
Debra Byrnes, Trauma Program Director PMC

BACKGROUND: Annual update to the board of directors to discuss community trauma prevention activities and to provide an update on the recent triennial trauma survey.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

MEDICAL STAFF SERVICES

April 28, 2009

TO: Board of Directors

BOARD MEETING DATE: May 11, 2009

FROM: John J. Lilley, M.D., Chief of Staff
PMC Medical Staff Executive Committee

SUBJECT: Palomar Medical Center Medical Staff Credentialing Recommendations

- I. Provisional Appointment (05/11/2009 – 04/30/2011)
Waleed Ahmed, M.D., Internal Medicine
James T. Buratto, M.D., Diagnostic Radiology
Angela M. Moll, M.D., Pediatric Ophthalmology
Carlo H. Niguidula, M.D., Family Practice (Includes PCCC)
Christopher J. Rogers, M.D., Physical Medicine & Rehabilitation
Djerrick C. Tan, M.D., Diagnostic Radiology
- II. Advance from Provisional to Active Category
Stephen A. Dunphy, M.D., Emergency Medicine (05/11/2009 – 03/31/2011)
Hyunsoo Kim, M.D., Internal Medicine (05/11/2009 – 11/30/2010)
John P. Liboon, M.D., Emergency Medicine (05/11/2009 – 05/31/2010)
Margaret Riley-Hagan, M.D., Pediatrics (05/11/2009 – 01/31/2011)
Adina G. Smarandache, M.D., Internal Medicine (05/11/2009 – 04/30/2010) (Includes PCCC)
P. Brian Volpp, M.D., Radiation Oncology (05/11/2009 – 11/30/2009)
Steven W. Zgliniec, M.D., Pulmonary Disease/Critical Care (05/11/2009 – 11/30/2010)
- III. Advance from Provisional to Courtesy Category
Nelar Wine, M.D., Internal Medicine (05/11/2009 – 11/30/2009)
- IV. Advance from Provisional to Associate Category
Derek A. Helton, M.D., Hematology/Oncology (05/11/2009 – 12/31/2010) – No Clinical Privileges
- V. Additional Privileges
Ronald E. Feldman, M.D., Gastroenterology
 - Video Capsule Endoscopy – Small BowelArsenio I. Jimenez, Jr., M.D., Internal Medicine
 - PCCC PrivilegesOsman S. Khawar, M.D., Internal Medicine/Nephrology
 - PCCC PrivilegesStanley H. Weinberg, M.D., Family Practice
 - Reinstatement of Surgery Assist Privileges
- VI. Leave of Absence
Julie L. Le, D.O., Psychiatry (05/11/2009 – 04/30/2011)
William M. Sereda, M.D., Emergency Medicine (04/13/2009 – 03/31/2011)

PALOMAR MEDICAL
CENTER
555 East Valley Parkway
Escondido, CA 92025
Tel 760.739.3140
Fax 760.739.2926

POMERADO
HOSPITAL
15615 Pomerado Road
Poway, CA 92064
Tel 858.613.4664
Fax 858.613.4217

ESCONDIDO
SURGERY CENTER
343 East Grand Avenue
Escondido, CA 92025
Tel 760.480.6606
Fax 760.480.1288

VII. Voluntary Resignations/Withdrawals

Lance L. Altenau, M.D., Neurosurgery (Effective 04/15/2009)
 Corinne H. Gieseemann, M.D., Family Practice (Effective 04/23/2009)
 Veena A. Prabhakar, D.O., Family Practice (Effective 05/31/2009)
 Marissa M. Valencia Ylagan, M.D., Maternal-Fetal Medicine (Effective 05/31/2009)

VIII. Allied Health Professional Appointments (05/11/2009 – 04/30/2011)

Cynthia J. Loebig, FNP, Nurse Practitioner ExpressCare; Sponsor: Dr. Paz

IX. Reappointment Effective 06/01/2009 – 11/30/2009

John A. Young, M.D.	Cardiothoracic Surgery	Dept of Surgery	Courtesy
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Reappointment Effective 06/01/2009 – 05/31/2010

Jeffrey L. Newman, M.D.	Family Practice	Dept of Family Practice	Active
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(Change from Courtesy to Active Category)

Reappointments Effective 06/01/2009 – 05/31/2011

Gordon A. Booth, M.D.	Family Practice	Dept of Family Practice	Associate
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(No Clinical Privileges)

Paul J. Cotten, M.D.	Anesthesiology	Dept of Anesthesia	Associate
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Kelly D. Dewitt, M.D.	Radiation Oncology	Dept of Radiology	Active
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(Change from Associate to Active Category)

Gilbert J. Ho, M.D.	Neurology	Dept of Medicine	Active
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Thomas F. Kelly, M.D.	Maternal-Fetal Medicine	Dept of OB/GYN	Active
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Lachlan Macleay, Jr., M.D.	Pathology	Dept of Pathology	Active
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Jeffrey K. Pearson, D.O.	Family Prac/Sports Med	Dept of Family Practice	Active
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William H. Pfeiffer, M.D.	Orthopaedic Surgery	Dept of Ortho/Rehab	Active
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Anthony G. Sanzone, M.D.	Orthopaedic Surgery	Dept of Ortho/Rehab	Associate
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Scott D. Shoemaker, M.D.	Orthopaedic Surgery	Dept of Ortho/Rehab	Courtesy
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(Changed from Active to Courtesy Category)

Neil T. Tarzy, M.D.	Family Practice	Dept of Family Practice	Active
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Richard B. Wolf, D.O.	Maternal-Fetal Medicine	Dept of OB/GYN	Active
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X. Allied Health Reappointments Effective 06/01/2009 – 05/31/2011

Cynthia R. Clark, N.P., Pediatric Nurse Practitioner; Sponsors: Drs. Epstein, Marchese, Hershey, Bernard-Stover, Golembeski, Johnsgard, Fatayerji, Rosenthal.

Marie Egge, P.A.-C., Emergency Medicine Physician Assistant; Sponsors: CEP

John A. Figueroa, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Julie L. Gill, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Jacob L. Kalscheur, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Patrick J. Lehmann, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Gary B. Murphy, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Douglas R. Pickett, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Mary S. Stone, P.A.-C., Orthopaedic Physician Assistant; Sponsors: Kaiser Orthopaedic Surgeons

Certification by and Recommendation of Chief of Staff:

As Chief of Staff of Palomar Medical Center, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment or alteration of staff membership or the granting of privileges and that the policy of the Palomar Pomerado Health System's Board of Directors regarding such practices have been properly followed. I recommend that the action requested in each case be taken by the Board of Directors.



Pomerado Hospital Medical Staff Services

15615 Pomerado Road
Poway, CA 92064
Phone – (858) 613-4664
FAX - (858) 613-4217

DATE: April 29, 2009
TO: Board of Directors - May 11, 2009
FROM: Franklin M. Martin, M.D., Chief of Staff, Pomerado Hospital Medical Staff
SUBJECT: Medical Staff Credentials Recommendations – April 2009

Provisional Appointments: (05/11/2009 – 04/30/2011)

Waleed Ahmed, M.D. – Internal Medicine
James T. Buratto, M.D. – Radiology
Karin C. Kordas, M.D. – Internal Medicine
Philip E. Larkins, D.P.M. (includes Wound Care)
Angela M. Moll, M.D. – Pediatric Ophthalmology
Carlo H. Niguigula, M.D. – Family Practice (includes Villa)
Djerrick C. Tan, M.D. - Radiology

Provisional Appointment: (06/01/2009 – 05/31/2011)

Paras R. Shah, M.D. – Ophthalmology

Biennial Reappointments: (06/01/2009 – 05/31/2011)

Philip J. Balikian, M.D. – Surgery – Active (includes Villa)
Kathy M. Clewell, M.D. – Medicine - Affiliate
Paul J. Cotten, M.D. – Anesthesiology - Affiliate
Gilbert J. Ho, M.D. – Medicine – Active (includes Villa)
William C. Holland, M.D. – Surgery – Active (includes Villa)
Thomas F. Kelly, M.D. – Maternal-Fetal Medicine - Courtesy
Lachlan Macleay, Jr., M.D. – Pathology - Active
Maurice J. Papier, II, D.P.M. – Podiatry - Active
Sunny R. Richley, M.D. – Medicine - Active
Marcelo R. Rivera, M.D. – Medicine – Active (includes Villa)
Cheryl L. Shanmugam, M.D. – Pediatrics - Active
Neil T. Tarzy, M.D. – Family Practice - Courtesy
Richard B. Wolf, D.O – Maternal-Fetal Medicine - Courtesy

Leave of Absence 4/1/2009 -3/31/2011

William Sereda, M.D. – Emergency Medicine

Advancements to Active Category:

Stephen A. Dunphy, M.D. - 05/11/2009-03/31/2011
John P. Liboon, M.D. – 05/11/2009 – 05/31/2010
Steven W. Zgliniec, M.D. – 05/11/2009 – 11/30/2010

Advancement to Courtesy Category:

Melanie Farrell, M.D. – 05/11/2009 -08/31/2009
Adina G. Smarandache, M.D. – 05/11/2009 – 04/30/2010

Resignations:

Ghazala Q. Sharieff, M.D. – Emergency Medicine
Marissa M. Valencia Ylagan, M.D. – Maternal Fetal Medicine

Allied Health Professional Appointments: (05/11/2009 – 04/30/2011)

Cynthia J. Loebig, F.N.P. (Expresscare) Sponsor Dr. Lawrence Koenig
Robert J. Mallory, P.A.-C Sponsors Dr. Kevin Yoo, Dr. Leslie Gullahorn & Dr. James McClurg

Allied Health Professional Reappointments: (06/01/2009 – 05/31/2011)

Marie Egge, P.A.-C – Sponsors CEP Physicians

POMERADO HOSPITAL: Certification by and Recommendation of Chief of Staff: As Chief of Staff of Pomerado Hospital, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment, or alternation of staff membership or the granting of privileges and the policy of the Palomar Pomerado Health System's Board of Directors regarding such practices have been properly followed. I recommend that the Board of Directors take the action requested in each case.

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Waleed Ahmed, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Internal Medicine – Certified 2002
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ORGANIZATIONAL NAME

<i>Name</i>	Neighborhood Healthcare
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	The Aga Khan Medical University, Karachi, Pakistan From: 10/01/1992 To: 11/22/1997 Doctor of Medicine Degree
<i>Internship Information</i>	Duke University Medical Center, Durham, NC Internal Medicine From: 06/20/1999 To: 06/30/2000
<i>Residency Information</i>	New York and Presbyterian Hospital, New York, NY Internal Medicine From: 06/26/2000 To: 06/30/2002
<i>Fellowship Information</i>	Brigham and Women's Hospital (Peter Bent), Boston, MA Reynolds Fellow in Cardiovascular Research From: 03/01/2003 To: 07/31/2005 University of California, San Diego Cardiology From: 07/01/2006 To: Present Expected Date of Completion: 06/30/09
<i>Current Affiliation Information</i>	None

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	James T. Buratto, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Diagnostic Radiology – Certified 2005
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ORGANIZATIONAL NAME

<i>Name</i>	North County Radiology
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Creighton University, Omaha, NE From: 09/01/1994 To: 05/16/1998 Doctor of Medicine Degree
<i>Internship Information</i>	Camp Pendleton Naval Hospital, Camp Pendleton, CA Family Practice From: 06/29/1998 To: 06/30/1999
<i>Residency Information</i>	Naval Medical Center, San Diego, CA Diagnostic Radiology From: 07/31/2001 To: 07/30/2005
<i>Fellowship Information</i>	N/A
<i>Current Affiliation Information</i>	Sharp Memorial Hospital, San Diego, CA Sharp Mary Birch Hospital, San Diego, CA Sharp Memorial Hospital, Chula Vista, CA Sharp Coronado Hospital, Coronado, CA Naval Medical Center, San Diego, CA

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

Provider Name & Title	Karin C. Kordas, M.D.
PPHS Facilities	Pomerado Hospital

SPECIALTIES/BOARD CERTIFICATION

Specialties	Internal Medicine – Certified 2003
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ORGANIZATIONAL NAME

Name	Graybill Medical Group
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EDUCATION/AFFILIATION INFORMATION

Medical Education Information	University of California, Los Angeles, CA From: 08/03/1998 To: 06/02/2000 Doctor of Medicine Degree
Internship Information	University of California, San Diego Internal Medicine From: 06/24/2000 To: 06/27/2001
Residency Information	University of California, San Diego Internal Medicine From: 07/01/2001 To: 06/30/2003
Fellowship Information	University of California, San Diego Women's Health/Primary Care From: 07/01/2003 To: 06/30/2004
Current Affiliation Information	Palomar Medical Center, Escondido, CA St. Bernardine Medical Center, San Bernardino, CA Fallbrook Hospital, Fallbrook, CA

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Philip E. Larkins, D.P.M.
<i>PPHS Facilities</i>	Pomerado Hospital/Wound Care

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Podiatry – Certified 2008
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ORGANIZATIONAL NAME

<i>Name</i>	Philip E. Larkins, D.P.M.
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Barry University School of Podiatric Medicine, Miami Shores, FL From: 08/01/1996 To: 05/06/2000 Doctor of Podiatric Medicine Degree
<i>Internship Information</i>	South Shore Hospital and Medical Center, Miami Beach, FL Rotating Podiatry From: 07/15/2000 To: 07/15/2001
<i>Residency Information</i>	South Shore Hospital and Medical Center, Miami Beach, FL Podiatric Orthopedic From: 07/15/2001 To: 07/15/2002 MedPremises Surgery Center, San Diego, CA Podiatric Surgical From: 07/01/2002 To: 06/30/2003
<i>Fellowship Information</i>	N/A
<i>Current Affiliation Information</i>	Paradise Valley Hospital, National City, CA Palomar Medical Center, Escondido, CA

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Angela M. Moll, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Ophthalmology – Not Certified
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ORGANIZATIONAL NAME

<i>Name</i>	Children's Specialists of San Diego
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Wayne State University School of Medicine, Detroit, MI From: 08/01/1999 To: 06/01/2003 Doctor of Medicine Degree
<i>Internship Information</i>	St. John Hospital and Medical Center, Detroit, MI Transitional From: 07/01/2003 To: 06/30/2004
<i>Residency Information</i>	Kresge Eye Institute/Wayne State University, Detroit, MI Ophthalmology From: 07/01/2004 To: 06/30/2007
<i>Fellowship Information</i>	Kresge Eye Institute/Wayne State University, Detroit, MI Pediatric Ophthalmology and Strabismus From: 07/01/2007 To: 06/30/2008
<i>Current Affiliation Information</i>	Tri-City Medical Center, Oceanside, CA Rady Children's Hospital, San Diego, CA

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Carlo H. Niguidula, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Family Practice - Certified 2000-2007
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ORGANIZATIONAL NAME

<i>Name</i>	Neighborhood Healthcare
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Chicago Medical School, North Chicago, IL From: 09/01/1993 To: 06/06/1997 Doctor of Medicine Degree
<i>Internship Information</i>	St. Francis Hospital, Evanston, IL Family Practice From: 07/01/1997 To: 06/30/1998
<i>Residency Information</i>	Bayfront Medical Center, St. Petersburg, FL Family Practice From: 07/01/1998 To: 06/30/2000
<i>Fellowship Information</i>	N/A
<i>Current Affiliation Information</i>	Sonora Regional Medical Center, Sonora, CA Sutter General Hospital, Sacramento, CA Renown Regional Medical Center, Reno, NV

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Christopher J. Rogers, M.D.
<i>PPHS Facilities</i>	Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Physical Medicine and Rehabilitation – Certified 1998; Re-Certified 2008 Pain Medicine – Certified 2003
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ORGANIZATIONAL NAME

<i>Name</i>	Orthopaedic Specialists of North County
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	St. Louis University School of Medicine, St. Louis, MO From: 09/01/1989 To: 05/10/1993 Doctor of Medicine Degree
<i>Internship Information</i>	N/A
<i>Residency Information</i>	University of Texas Health Science Center, San Antonio, TX Physical Medicine/Rehab From: 07/01/1993 To: 06/30/1997 Chief Resident: 07/01/96-06/30/97
<i>Fellowship Information</i>	East Texas Medical Center Spine Specialists, Tyler, TX Spine Rehabilitation From: 07/01/1997 To: 06/30/1998
<i>Current Affiliation Information</i>	North Coast Surgery Center, Oceanside, CA Tri-City Medical Center, Oceanside, CA

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Paras R. Shah, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Ophthalmology – Certified 2004
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ORGANIZATIONAL NAME

<i>Name</i>	North County Ophthalmology
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Northeastern Ohio Universities College of Medicine, Rootstown, OH From: 08/01/1995 To: 05/22/1999 Doctor of Medicine Degree
<i>Internship Information</i>	Illinois Masonic Medical Center, Chicago, IL Transitional From: 07/01/1999 To: 06/30/2000
<i>Residency Information</i>	Henry Ford Hospital, Detroit, MI Ophthalmology From: 07/01/2000 To: 06/30/2003
<i>Fellowship Information</i>	University of Illinois at Chicago Medical Center, Chicago, IL Pediatric Ophthalmology and Strabismus From: 07/07/2003 To: 07/06/2004
<i>Current Affiliation Information</i>	Glenbrook Hospital, Glenview IL Highland Park Hospital, Highland Park, IL

**PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
May, 2009**

PERSONAL INFORMATION

<i>Provider Name & Title</i>	Djerrick C. Tan, M.D.
<i>PPHS Facilities</i>	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

<i>Specialties</i>	Diagnostic Radiology – Certified 2004
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ORGANIZATIONAL NAME

<i>Name</i>	Stat Radiology Medical Corporation
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EDUCATION/AFFILIATION INFORMATION

<i>Medical Education Information</i>	Indiana University School of Medicine, Indianapolis, IN From: 08/01/1995 To: 05/01/1999 Doctor of Medicine Degree
<i>Internship Information</i>	West Suburban Hospital Medical Center, Oak Park, IL Transitional From: 07/01/1999 To: 06/30/2000
<i>Residency Information</i>	Harbor/UCLA Medical Center, Torrance, CA Diagnostic Radiology From: 07/01/2000 To: 06/30/2004
<i>Fellowship Information</i>	Harbor/UCLA Medical Center, Torrance, CA Body Imaging From: 07/01/2004 To: 06/30/2005
<i>Current Affiliation Information</i>	Community Memorial Hospital, Menomonee Falls, WI Columbia St. Mary's Columbia Hospital, Milwaukee, WI Columbia St. Mary's Milwaukee Hospital, Milwaukee, WI Columbia St. Mary's Ozaukee Hospital, Mequon, WI Sacred Heart Rehabilitation Institute, Milwaukee, WI Orthopaedic Hospital of Wisconsin, Milwaukee, WI

**PALOMAR POMERADO HEALTH
ALLIED HEALTH PROFESSIONAL
APPOINTMENT
MAY 2009**

NAME: **Cynthia J. Loebig, F.N. P.**
SPECIALTY: Family Nurse Practitioner
SERVICES: Expresscare Nurse Practitioner for Palomar Pomerado Health
TRAINING: Azusa Pacific University, Azusa, CA
Bachelor of Science in Nursing 9/01/94-06/01/98
California State University, Dominguez Hills, Carson, CA
Master of Science in Nursing- Family Nurse Practitioner 08/28/00-05/31/04
PRACTICE: ExpressCare Nurse Practitioner, Palomar Pomerado Health
Retail Outpatient Clinics, Escondido&Rancho Penasquitos,CA 03/02/09-Present
Family Nurse Practitioner, Minute Clinic, Escondido, CA 10/27/07-Present
Clinical Nursing Instructor, Santa Ana Community College 09/06/04-Present
Family Nurse Practitioner, Cal State University, Long Beach
Student Health Center, Long Beach, CA 04/01/06-06/30/07
Family Nurse Practitioner, Greater HealthCare Centers of Los Angeles
Bell Gardens, CA 04/01/04-10/31/07
Clinical Nursing Instructor,Concord Career College,Garden Grove, CA 02/01/04-04/15/05
R.N., St Joseph Hospital of Orange, Orange, CA 06/19/95-11/11/00
SPONSORS: Alejandro Paz, M.D., Lawrence Koenig, M.D.
CERTIFICATION: American Academy of Nurse Practitioners 2008
FACILITIES: Palomar Medical Center and Pomerado Hospital

NAME: **Robert J. Mallory, P.A.-C**
SPECIALTY: Physician Assistant
SERVICES: Physician Assistant
TRAINING: University of Utah, School of Medicine
Master of Science degree- Physician Assistant studies 08/01/00-08/09/02
PRACTICE: Physician Assistant, Physician Assistant Surgical Services, La Mesa,CA 04/15/09-present &
10/01/04-11/30/05
Physician Assistant, Jeffrey Cichon, M.D. , Las Vegas, NV 05/01/06-present
Physician Assistant, Dennis Mayer, M.D., San Diego, CA 10/01/02-05/01/06
Physician Assistant, Robert Houghton, M.D., San Diego, CA 08/01/02-11/30/02
Physician Assistant, Maxim Healthcare Services, Columbia, MD 09/16/02-10/19/02
SPONSORS: Kevin Yoo, M.D., Leslie Gullahorn, M.D., James McClurg, M.D.
CERTIFICATION: National Commission on Certification of Physician Assistants 2002
FACILITY: Pomerado Hospital



Pomerado Hospital Medical Staff Services

15615 Pomerado Road

Poway, CA 92064

Phone – (858) 613-4664

FAX - (858) 613-4217

DATE: April 29, 2009
TO: Board of Directors - May 11, 2009
FROM: Franklin M. Martin, M.D., Chief of Staff, Pomerado Hospital Medical Staff
SUBJECT: Medical Staff Credentials Recommendations – April 2009

Provisional Appointments: (05/11/2009 – 04/30/2011)

Waleed Ahmed, M.D. – Internal Medicine
James T. Buratto, M.D. – Radiology
Karin C. Kordas, M.D. – Internal Medicine
Philip E. Larkins, D.P.M. (includes Wound Care)
Angela M. Moll, M.D. – Pediatric Ophthalmology
Carlo H. Niguidula, M.D. – Family Practice (includes Villa)
Djerrick C. Tan, M.D. - Radiology

Provisional Appointment: (06/01/2009 – 05/31/2011)

Paras R. Shah, M.D. – Ophthalmology

Biennial Reappointments: (06/01/2009 – 05/31/2011)

Philip J. Balikian, M.D. – Surgery – Active (includes Villa)
Kathy M. Clewell, M.D. – Medicine - Affiliate
Paul J. Cotten, M.D. – Anesthesiology - Affiliate
Gilbert J. Ho, M.D. – Medicine – Active (includes Villa)
William C. Holland, M.D. – Surgery – Active (includes Villa)
Thomas F. Kelly, M.D. – Maternal-Fetal Medicine - Courtesy
Lachlan Macleay, Jr., M.D. – Pathology - Active
Maurice J. Papier, II, D.P.M. – Podiatry - Active
Sunny R. Richley, M.D. – Medicine - Active
Marcelo R. Rivera, M.D. – Medicine – Active (includes Villa)
Cheryl L. Shanmugam, M.D. – Pediatrics - Active
Neil T. Tarzy, M.D. – Family Practice - Courtesy
Richard B. Wolf, D.O – Maternal-Fetal Medicine - Courtesy

Leave of Absence 4/1/2009 -3/31/2011

William Sereda, M.D. – Emergency Medicine

Advancements to Active Category:

Stephen A. Dunphy, M.D. - 05/11/2009-03/31/2011
John P. Liboon, M.D. – 05/11/2009 – 05/31/2010
Steven W. Zgliniec, M.D. – 05/11/2009 – 11/30/2010

Advancement to Courtesy Category:

Melanie Farrell, M.D. – 05/11/2009 -08/31/2009
Adina G. Smarandache, M.D. – 05/11/2009 – 04/30/2010

Resignations:

Ghazala Q. Sharieff, M.D. – Emergency Medicine
Marissa M. Valencia Ylagan, M.D. – Maternal Fetal Medicine

Allied Health Professional Appointments: (05/11/2009 – 04/30/2011)

Cynthia J. Loebig, F.N.P. (Expresscare) Sponsor Dr. Lawrence Koenig
Robert J. Mallory, P.A.-C Sponsors Dr. Kevin Yoo, Dr. Leslie Gullahorn & Dr. James McClurg

Allied Health Professional Reappointments: (06/01/2009 – 05/31/2011)

Marie Egge, P.A.-C – Sponsors CEP Physicians

POMERADO HOSPITAL: Certification by and Recommendation of Chief of Staff: As Chief of Staff of Pomerado Hospital, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment, or alternation of staff membership or the granting of privileges and the policy of the Palomar Pomerado Health System's Board of Directors regarding such practices have been properly followed. I recommend that the Board of Directors take the action requested in each case.

Chairman

Bill Horn
County Board of
Supervisors

April 3, 2009

Vice Chairman

Bud Pocklington
South Bay Irrigation District

TO: Independent Special Districts of San Diego County

FROM: Executive Officer
Local Agency Formation Commission

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: 2009 Special Districts Election

Donna Frye
Councilmember
City of San Diego

Carl Hilliard
Councilmember
City of Del Mar

Betty Rexford
Councilmember
City of Poway

Vacant
Special Districts
Representative

Andrew L. Vanderlaan
Public Member

Alternate Members

Greg Cox
County Board of
Supervisors

Sherri Lightner
Councilmember
City of San Diego

Mark Lewis
Mayor
City of El Cajon

John S. Ingalls
Santa Fe
Irrigation District

Harry Mathis
Public Member

By our letter of January 16, 2009, we solicited nominations for one LAFCO regular Special District member and one LAFCO alternate Special District member. By the deadline of February 27, 2009, two nominations for the regular member and five nominations for the alternate member were received by LAFCO. As required by the Selection Committee Rules, all eligible nominations were forwarded to the nominating committee. The 2009 nominating committee was comprised of Tom Pocklington (Bonita-Sunnyside Fire Protection District), Judy Hanson (Leucadia Wastewater District), and Augie Scalzitti (Padre Dam Municipal Water District). After the Candidate's Forum held on March 26, 2009 at the San Diego Chapter of the California Special Districts Association's special meeting, LAFCO Consultant Harry Ehrlich met with the nominating committee to discuss a recommended slate of nominees for the open positions. A copy of the committee's report is attached (**Attachment 1**), containing ballots on which to record your votes (**Attachment 2**). A list of the eligible independent special districts, formatted in label form, is provided for your convenience (**Attachment 3**). Special districts may use the mailing list to send letters of support or additional biographical material for a particular candidate. Please note that LAFCO staff has not included any of the candidates' promotional materials with the election materials. Lastly, attached are a summary and copies of all nominations received (**Attachment 4**).

With respect to ballots, there is a separate ballot for each position: yellow for the LAFCO regular member, and blue for the LAFCO alternate member. **Be sure each ballot is marked only for the number of positions to be voted for in that category. A ballot that is cast for more than the indicated number of positions will be disregarded.**

Executive Officer

Michael D. Ott

Counsel

William D. Smith

The ballots should be considered by your full district board. State Law and the Selection Committee Rules require a district's vote to be cast by its presiding officer, or an alternate member of the legislative body appointed by the other members. Therefore, the certification form has been incorporated with the ballot forms to be signed by the person who casts your district's votes. **A ballot received without a signed certification form will not be counted.**

All nominees are listed on the relevant ballot. An asterisk indicates the nominating committee's recommendations. Write-in candidates are permitted, and spaces have been provided for that purpose.

The deadline for receipt of the ballots by LAFCO is **May 15, 2009**. The Selection Committee Rules require that marked ballots be returned **by certified mail, return receipt requested**. Facsimile (FAX) ballots and certification forms will be accepted, **if necessary to meet the ballot deadline**, but originals must be submitted as soon as possible thereafter.

The Selection Committee Rules stipulate that a majority of the districts shall constitute a quorum for the conduct of committee business. There are 61 independent special districts in the County; therefore, a minimum of **31** ballots must be received to certify that a legal election was conducted. A candidate for a LAFCO member must receive at least a majority of the votes cast to be elected. The ballots will be kept on file in this office, and will be made available upon request.

Please call me or Tita Jacque Mandapat if you have any questions.



MICHAEL D. OTT
Executive Officer

MDO:tjm

- Attachments:
- 1) Nominating Committee Report and Recommendations
 - 2) Special District Election Vote Certification Form & Ballots
 - 3) Independent Special District Labels
 - 4) Independent Special District Summary of Nominations and Copies of Nomination Forms

Chairman

Bill Horn
County Board of
Supervisors

April 3, 2009

Vice Chairman

Bud Pocklington
South Bay Irrigation District

TO: Independent Special Districts in San Diego County
FROM: 2009 Special Districts Election Nominating Committee
SUBJECT: Nominating Committee Report and Recommendations

Members

Dianne Jacob
County Board of
Supervisors

Donna Frye
Councilmember
City of San Diego

Carl Hilliard
Councilmember
City of Del Mar

Betty Rexford
Councilmember
City of Poway

Vacant
Special Districts
Representative

Andrew L. Vanderlaan
Public Member

Alternate Members

Greg Cox
County Board of
Supervisors

Sherri Lightner
Councilmember
City of San Diego

Mark Lewis
Mayor
City of El Cajon

John S. Ingalls
Santa Fe
Irrigation District

Harry Mathis
Public Member

In 2009, independent special district nominations were solicited for: (1) one regular special district member on LAFCO with a term expiring in 2013, and (2) one alternate special district member on LAFCO with a remaining term expiring in 2011. By the deadline of February 27, 2009, our office received two nominations for the LAFCO regular special district member position, and five nominations for the LAFCO alternate special district member position.

As required by the Selection Committee Rules, a nominating committee was appointed to review the nominations submitted, and to prepare a list of recommended candidates. According to the Selection Committee Rules, the nominating committee is appointed by the chairperson or vice chair of the Special Districts Advisory Committee. Since Chairwoman Jo MacKenzie is a candidate for the alternate commission position on LAFCO, Executive Officer Michael Ott made appointments to the nominating committee. A Candidates Forum, moderated by Mr. Ott and LAFCO Consultant Harry Ehrlich, was scheduled on March 26 as part of a special meeting of the San Diego Chapter, California Special Districts Association. All candidates were invited to attend and present a brief statement of qualifications. In the interest of impartiality, the nominating committee decided to conclude its deliberations after the Candidates Forum. In evaluating the nominations, the committee considered special district experience, interest, and knowledge of LAFCO issues. For those nominees who are incumbents, the committee further considered attendance records and meeting participation. The committee also wanted to ensure representation from those types of districts that most often are involved in making recommendations to LAFCO. The nominating committee's recommendations for each category follows.

Executive Officer

Michael D. Ott

Counsel

William D. Smith

Attachment 1

NOMINATING COMMITTEE RECOMMENDATIONS

LAFCO Regular Special District Member

The Nominating Committee recommended **John Ingalls** (Santa Fe Irrigation District).

LAFCO Alternate Special District Member

The Nominating Committee recommended **Gary Croucher** (Otay Water District).

Copies of all nominations are attached following this report.

2009 NOMINATING COMMITTEE

TOM POCKLINGTON
Bonita-Sunnyside Fire Protection District

JUDY HANSON
Leucadia Wastewater District

AUGIE SCALZITTI
Padre Dam Municipal Water District

**2009 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR REGULAR LAFCO SPECIAL DISTRICT MEMBER**

VOTE FOR ONLY ONE

* **John Ingalls** []
(Santa Fe Irrigation District)

Charles W. Muse []
(Helix Water District)

Write-ins

_____ []

_____ []

I hereby certify that I cast the votes of the _____
(Name of District)

at the 2009 Special Districts Selection Committee Election as:

[] the presiding officer, or

[] the duly-appointed alternate board member.

(Signature)

(Title)

(Date)

Please note: The order in which the candidates' names are listed was determined by random selection.

* = Nominating committee's recommendation

**2009 SPECIAL DISTRICTS ELECTION
BALLOT and VOTE CERTIFICATION
FOR ALTERNATE LAFCO SPECIAL DISTRICT MEMBER**

VOTE FOR ONLY ONE

- Tom Bumgardner** (Valley Center Parks and Recreation District) []
- Tim Geiser** (Deer Springs Fire Protection District) []
- Martin Marugg** (Alpine Fire Protection District) []
- Jo MacKenzie** (Vista Irrigation District) []
- * **Gary Croucher** (Otay Water District) []

Write Ins

_____ []

_____ []

I hereby certify that I cast the votes of the _____
(Name of District)
at the 2009 Special Districts Selection Committee Election as:

- [] the presiding officer, or
- [] the duly-appointed alternate board member.

(Signature)

(Title)

(Date)

Please note: The order in which the candidates' names are listed was determined by random selection.

* = Nominating committee's recommendation

**2009 SPECIAL DISTRICTS ELECTION
SUMMARY OF NOMINATIONS
REGULAR AND ALTERNATE LAFCO COMMISSIONER**

LAFCO Regular Special District Member Candidates

* John Ingalls
(Santa Fe Irrigation District)

Charles W. Muse
(Helix Water District)

LAFCO Alternate Special District Member Candidates

Tom Bumgardner
(Valley Center Parks and Recreation District)

Tim Geiser
(Deer Springs Fire Protection District)

Martin Marugg
(Alpine Fire Protection District)

Jo MacKenzie
(Vista Irrigation District)

* Gary Croucher
(Otay Water District)

Please note: The order in which the candidates' names are listed were determined by random selection

* = Nominating committee's recommendation

Information: 2008 – 2009 Board Goals Update

TO: Board of Directors, Monday, May 11th, 2009

FROM: Strategic Planning Committee

BACKGROUND: Michael Covert commented on the bond ratings. Mr. Covert stated that PPH has maintained bond rating status with both Fitch and S&P. Dr. Kolins and Dr. Rivera spoke about the changes in clinical documentation coding. A brief overview of the changes in the coding procedure was provided. Michael Covert spoke about physician and patient loyalty. Mr. Covert stated that PPH has held the same since last quarter and that he would report back at the end of the year. Opal Reinbold spoke about quality and safety in patient care as well as the demonstration project. Michael Covert stated that the Q12 scores were in and would be summarized soon. The HR committee will go through the specific questions to further analyze where PPH stands and report to the full Board. Dr. Kanter spoke about the first phase of the Cerner optimization. David Tam spoke about AmeriSource Bergen and the consolidation of the supply chain. Michael Covert spoke about the Capital Campaign. Terry Green spoke about the gifts that the Foundation has in the pipeline. Mr. Green stated that the Foundation has raised approximately \$3.4 million between the employee campaign and charitable donations.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Information: Rehab / L-Tac

TO: Board of Directors, Monday, May 11th, 2009

FROM: Strategic Planning Committee

BACKGROUND: Virginia Barragan stated the vision of PPH's Rehabilitation Services and outlined the strategic development process. Healthcare experts were consulted on national and regional trends for facility and program expansion. Opportunities for collaboration with potential rehabilitation business partners were discussed and best practice models from the Advisory Board were reviewed. The rehabilitation services were nationally defined to include multiple therapeutic services within continuum of care including acute, sub-acute, and post-acute care. The general sites in the comprehensive continuum were outlined. Common terms in rehabilitation were defined and the services provided in the PPH service area were listed. The PPH partnership with RehabCare was discussed and the benefits were outlined. Virginia Barragan presented reasons why rehabilitation services benefited PPH and included examples such as the acute rehabilitation contribution margin of \$5,757,481 and the outpatient rehabilitation contribution margin of \$850,000. PPH's current market status strengths and weaknesses were highlighted and opportunities and threats were analyzed. The future projected growth in rehabilitation healthcare dollars and the inpatient post acute growth in North County San Diego were outlined. The outpatient projected growth in San Diego based on PPH's primary service line development and population growth in the primary service area showed OP visit demand increasing by 10.3% between 2008 and 2013. Opportunities for partnerships and the advantages of such partnerships were discussed. Legislation is pending at the state level to provide patients with direct access to physical and occupational therapy services. The presentation concluded with financial implications and recommendations.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Information: IT Infrastructure

TO: Board of Directors, Monday, May 11th, 2009

FROM: Strategic Planning Committee

BACKGROUND: The technology guiding principles were presented and stated that all decisions for IT must have a direct contribution to the organizational strategies and objectives. An enterprise-focused (not department focused) vision will drive technology decisions. Stable technologies and solutions will be utilized and PPH will strive for a balance between “quick follower” and “strategic innovator” philosophies thus enabling it to provide the latest and most scalable solutions. It was stated in the guiding principles that PPH would like to establish or maintain mutually-beneficial partnerships with select vendors in order to manage and exceed expectations as well as have processes and accountabilities structured to promote, recommend, drive and make enterprise-wide decisions. The American Recovery & Reinvestment Act, EHR roadmap, Palomar West and the PPH web strategies were discussed. The community, patient, employee, physician and clinician portals were all reviewed and strategies for development were presented.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Information: Facilities Master Plan Update

TO: Board of Directors, Monday, May 11th, 2009

FROM: Strategic Planning Committee

BACKGROUND: Bob Hemker presented a recap of PPH's current real estate holdings. Mr. Hemker listed the properties owned and leased. The considerations that needed to be taken into account for all of the real property were outlined.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Information: Financial Master Plan Update

TO: Board of Directors, Monday, May 11th, 2009

FROM: Strategic Planning Committee

BACKGROUND: Bob Hemker provided an update on the financial and capital plan with service line initiatives as well as Board initiatives from the 2009 Strategic Planning workshops. Mr. Hemker discussed issues for consideration such as the deployment of resources and provided various scenarios both including and excluding strategic growth initiatives. Service line initiatives currently identified in the financial and capital plan showed projected annual operating incomes and operating expenses. New strategies and initiatives identified in the 2009 planning process were outlined. Summary totals were reviewed for new initiative capital requirements, working capital, operating income, EBIDA, and volume growth incremental margin. Mr. Hemker defined capital allocation and highlighted why its importance. The future strategies per the HFMA survey results ranked the importance of near-term actions. The categories for capital projects were outlined and a review of the new business plan was provided. An overview of the IT project prioritization criteria and sample scoring criteria and weights were highlighted. The external and marketplace criterion that is in use was reviewed and the possibility of blending the two was discussed. The presentation concluded with suggestions for future steps.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational Only

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Presentation on Health Development and Research Institute Financial Performance

TO: Board of Directors

MEETING DATE: Monday, May 11, 2009

FROM: Brad Wiscons, Director of Grant Services

BY: Board Finance Committee
Tuesday, April 28, 2009

Background: Palomar Pomerado North County Health Development, Inc. (Health Development) was created in 2005 as a non-profit corporation to research, apply for, and financially manage grants and contracts for Palomar Pomerado Health (PPH). As a separate corporation, with PPH as the single member, Health Development is governed by a Board of Directors composed of three members of PPH's Board of Directors, the PPH Chief Executive Officer and the PPH Chief Financial Officer.

In 2007, the Research Institute was created as a division of Health Development.

The staff of Health Development presented an informational financial update at the PPH Board Finance Committee meeting.

Budget Impact: None

Staff Recommendation: None – Information Only

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

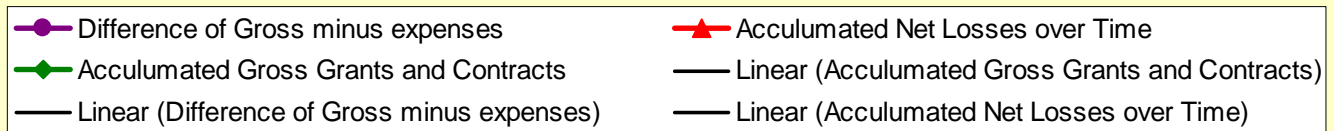
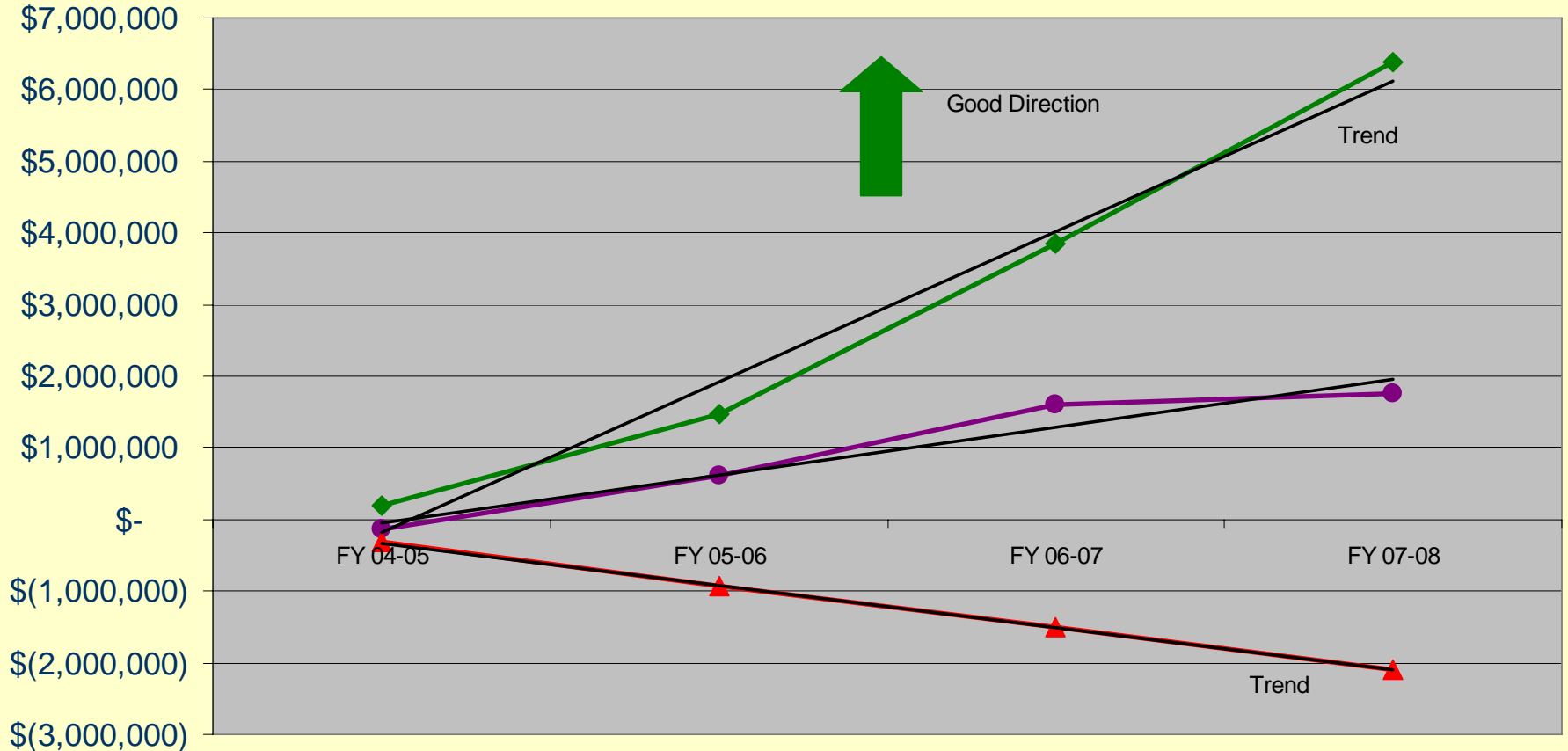
Required Time:

Presentation to the Finance
Committee of the
Palomar Pomerado Health
Board of Directors

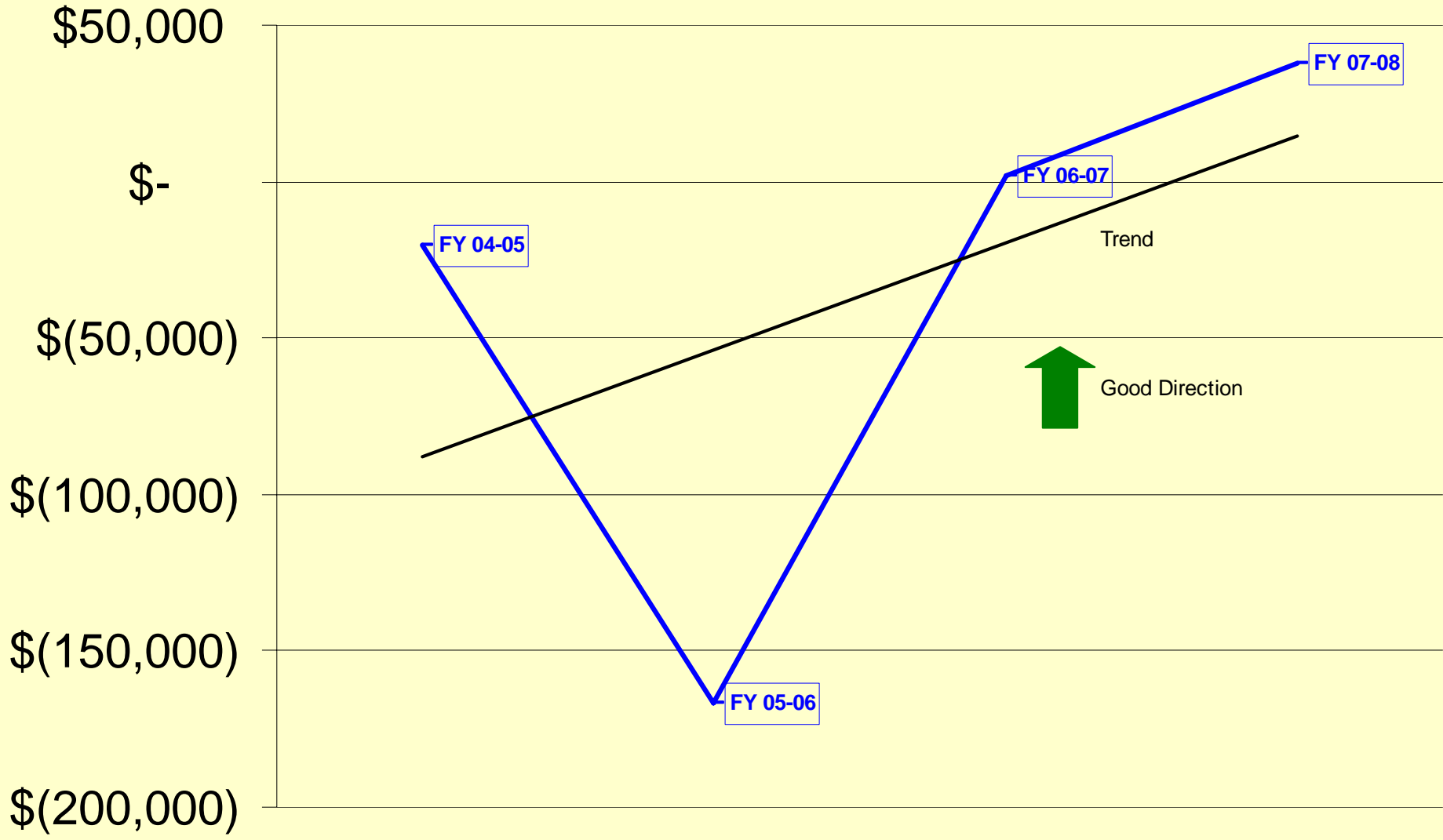
Health Development
April 28, 2009

Lifetime Analysis of Revenue and Expenses over Time

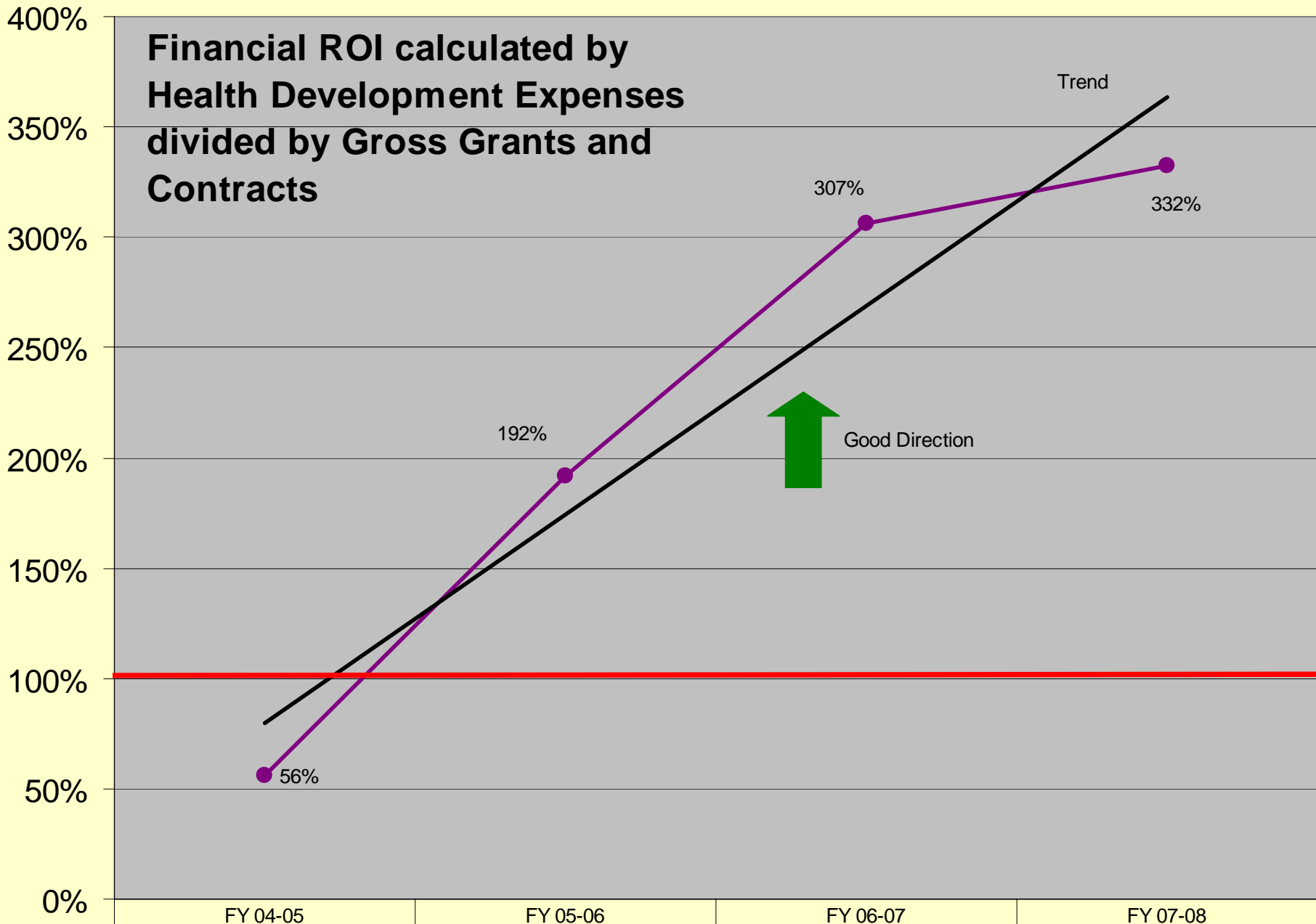
Health Development



HD Net Losses against Actual Budgeted Losses



Financial ROI calculated by Health Development Expenses divided by Gross Grants and Contracts



● PPH ROI

FY 04-05

FY 05-06

FY 06-07

FY 07-08

56%

192%

307%

332%

Health Development

Row #		FY 04-05	FY 05-06	FY 06-07	FY 07-08
1	Gross Grants and Contracts	\$ 184,762	\$ 1,287,980	\$ 2,376,698	\$ 2,522,960
2	Indirect	\$ 11,111	\$ 58,690	\$ 209,156	\$ 170,333
3	HD Expenses	\$ (331,169)	\$ (671,389)	\$ (775,379)	\$ (759,331)
4	Difference of Indirect minus expenses	\$ (320,058)	\$ (612,699)	\$ (566,223)	\$ (588,998)
5	Difference of Gross minus expenses	\$ (146,407)	\$ 616,591	\$ 1,601,319	\$ 1,763,629
6	HD Budget	\$ (300,000)	\$ (445,842)	\$ (568,134)	\$ (627,103)
7	HD Net Losses against Actual Budgeted Losses	\$ (20,058)	\$ (166,857)	\$ 1,911	\$ 38,105
8	Accumulated Net Losses over Time	\$ (320,058)	\$ (932,757)	\$ (1,498,980)	\$ (2,087,978)
9	Accumulated Gross Grants and Contracts	\$ 184,762	\$ 1,472,742	\$ 3,849,440	\$ 6,372,400

Research Institute

FY 07-08

Net Revenue	\$ 3,306
HD Expenses	\$ 447,209
Difference of Net Revenue minus expenses	\$(443,903)
HD Budget	\$(458,351)
HD Performance against Budget	\$ 14,448 ₁₀₅

PPNC HEALTH DEVELOPMENT

Income and Expense Statement
9900 - PPNC Health Development
From 2/1/2009 Through 2/28/2009

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Budget Variance MTD</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance YTD</u>
Revenue						
Grants and Contracts						
Revenue - Grants/Contracts	14,341.66	19,949.17	(5,607.51)	95,759.15	159,593.36	(63,834.21)
Total Grants and Contracts	14,341.66	19,949.17	(5,607.51)	95,759.15	159,593.36	(63,834.21)
MAA Admin Fees						
MediCal Administrative Activities	0.00	4,400.00	(4,400.00)	14,177.64	35,200.00	(21,022.36)
Total MAA Admin Fees	0.00	4,400.00	(4,400.00)	14,177.64	35,200.00	(21,022.36)
Other						
Revenue - Other	221.61	1,252.17	(1,030.56)	3,743.81	10,017.36	(6,273.55)
Total Other	221.61	1,252.17	(1,030.56)	3,743.81	10,017.36	(6,273.55)
Total Revenue	14,563.27	25,601.34	(11,038.07)	113,680.60	204,810.72	(91,130.12)
Expense						
Salaries & Wages						
Salaries Management/Supervision	6,722.96	12,506.42	5,783.46	62,272.98	100,051.36	37,778.38
Technical/Specialist	5,840.00	0.00	(5,840.00)	26,961.62	0.00	(26,961.62)
Clerical/Admin	0.00	1,336.50	1,336.50	10,085.26	10,692.00	606.74
PTO Expense	1,374.38	2,346.83	972.45	(10,134.93)	18,774.64	28,909.57
Total Salaries & Wages	13,937.34	16,189.75	2,252.41	89,184.93	129,518.00	40,333.07
Benefits						
Employee Benefits	1,795.25	4,468.58	2,673.33	18,816.22	35,748.64	16,932.42
Payroll Taxes	1,145.03	0.00	(1,145.03)	11,382.25	0.00	(11,382.25)
Total Benefits	2,940.28	4,468.58	1,528.30	30,198.47	35,748.64	5,550.17
Professional Fees						
Accounting Fees	1,658.34	1,091.67	(566.67)	19,666.78	8,733.36	(10,933.42)
Consulting Fees	0.00	4,166.67	4,166.67	31,483.00	33,333.36	1,850.36
Total Professional Fees	1,658.34	5,258.34	3,600.00	51,149.78	42,066.72	(9,083.06)
Supplies						
Supplies Hospitality	0.00	(2.17)	(2.17)	255.21	(17.36)	(272.57)
Supplies Office/Admin	156.98	92.58	(64.40)	701.83	740.64	38.81
Supplies Forms	0.00	31.25	31.25	0.00	250.00	250.00
Supplies Other	17.80	0.00	(17.80)	855.82	0.00	(855.82)
Total Supplies	174.78	121.66	(53.12)	1,812.86	973.28	(839.58)
Purchased Services						
Repair & Maintenance	251.86	259.08	7.22	2,015.16	2,072.64	57.48

PPNC HEALTH DEVELOPMENT

Income and Expense Statement
 9900 - PPNC Health Development
 From 2/1/2009 Through 2/28/2009

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Budget Variance MTD</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Budget Variance YTD</u>
Total Purchased Services	<u>251.86</u>	<u>259.08</u>	<u>7.22</u>	<u>2,015.16</u>	<u>2,072.64</u>	<u>57.48</u>
Depreciation						
Depreciation & Amortization	<u>222.88</u>	<u>191.67</u>	<u>(31.21)</u>	<u>1,783.04</u>	<u>1,533.36</u>	<u>(249.68)</u>
Total Depreciation	<u>222.88</u>	<u>191.67</u>	<u>(31.21)</u>	<u>1,783.04</u>	<u>1,533.36</u>	<u>(249.68)</u>
Interest						
Interest	<u>8,416.35</u>	<u>0.00</u>	<u>(8,416.35)</u>	<u>87,848.00</u>	<u>0.00</u>	<u>(87,848.00)</u>
Total Interest	<u>8,416.35</u>	<u>0.00</u>	<u>(8,416.35)</u>	<u>87,848.00</u>	<u>0.00</u>	<u>(87,848.00)</u>
Direct Expenses						
Postage	0.00	33.33	33.33	154.38	266.64	112.26
Printing & Copying	133.71	0.00	(133.71)	1,371.37	0.00	(1,371.37)
Dues & Subscriptions	0.00	166.67	166.67	99.00	1,333.36	1,234.36
Minor Equipment	107.73	(1.33)	(109.06)	107.73	(10.64)	(118.37)
Equipment Rental	0.00	91.67	91.67	0.00	733.36	733.36
Conferences, Conventions, Meetings	0.00	0.00	0.00	100.00	0.00	(100.00)
Insurance	0.00	57.50	57.50	1,380.00	460.00	(920.00)
Outside Training	0.00	0.00	0.00	750.00	0.00	(750.00)
Mileage	78.10	83.33	5.23	403.13	666.64	263.51
License Fees	0.00	12.50	12.50	0.00	100.00	100.00
Other Direct Expense	<u>0.00</u>	<u>91.67</u>	<u>91.67</u>	<u>224.85</u>	<u>733.36</u>	<u>508.51</u>
Total Direct Expenses	<u>319.54</u>	<u>535.34</u>	<u>215.80</u>	<u>4,590.46</u>	<u>4,282.72</u>	<u>(307.74)</u>
Total Expense	<u>27,921.37</u>	<u>27,024.42</u>	<u>(896.95)</u>	<u>268,582.70</u>	<u>216,195.36</u>	<u>(52,387.34)</u>
Net from Operations	<u>(13,358.10)</u>	<u>(1,423.08)</u>	<u>(11,935.02)</u>	<u>(154,902.10)</u>	<u>(11,384.64)</u>	<u>(143,517.46)</u>

RESEARCH INSTITUTE
Statement of Revenues and Expenditures
From 2/1/2009 Through 2/1/2009

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Net Revenues						
Grants & Contract Revenue	0.00	11,199.58	(11,199.58)	0.00	89,596.64	(89,596.64)
Fees Income	0.00	0.00	0.00	4,000.00	0.00	4,000.00
Total Net Revenues	0.00	11,199.58	(11,199.58)	4,000.00	89,596.64	(85,596.64)
Expenses						
Salaries & Wages						
Management/Supervision	0.00	3,552.29	3,552.29	35,154.11	28,418.32	(6,735.79)
Chief Innovation Officer	0.00	10,110.37	10,110.37	117,448.79	80,882.96	(36,565.83)
Clerical/Admin	0.00	0.00	0.00	1,251.45	0.00	(1,251.45)
Total Salaries & Wages	0.00	13,662.66	13,662.66	153,854.35	109,301.28	(44,553.07)
Payroll Taxes & Benefits						
Benefits	0.00	7,632.00	7,632.00	59,183.72	61,056.00	1,872.28
Total Payroll Taxes & Benefits	0.00	7,632.00	7,632.00	59,183.72	61,056.00	1,872.28
Professional Fees						
Contracted Physician	0.00	0.00	0.00	0.00	0.00	0.00
Consulting Fees	0.00	6,283.33	6,283.33	0.00	50,266.64	50,266.64
Legal Fees	0.00	0.00	0.00	0.00	0.00	0.00
Total Professional Fees	0.00	6,283.33	6,283.33	0.00	50,266.64	50,266.64
Supplies						
Hospitality	0.00	0.00	0.00	61.26	0.00	(61.26)
Forms	0.00	16.67	16.67	0.00	133.36	133.36
Office/Admin	0.00	100.00	100.00	0.00	800.00	800.00
Total Supplies	0.00	116.67	116.67	61.26	933.36	872.10
Purchased Services						
Repair & Maintenance	0.00	2,140.92	2,140.92	8,686.52	17,127.36	8,440.84
Total Purchased Services	0.00	2,140.92	2,140.92	8,686.52	17,127.36	8,440.84
Direct Expenses						
Telephone	0.00	0.00	0.00	0.00	0.00	0.00
Printing & Copying	0.00	0.00	0.00	33.12	0.00	(33.12)
Dues & Subscriptions	0.00	16.67	16.67	0.00	133.36	133.36
Insurance	0.00	57.50	57.50	0.00	460.00	460.00
Equipment Rental	0.00	91.67	91.67	0.00	733.36	733.36
Travel	0.00	0.00	0.00	0.00	0.00	0.00
Mileage	0.00	83.33	83.33	246.93	666.64	419.71
Outside Training	0.00	0.00	0.00	0.00	0.00	0.00
Postage	0.00	8.33	8.33	16.25	66.64	50.39
Other Direct Expense	0.00	41.67	41.67	0.00	333.36	333.36
Total Direct Expenses	0.00	299.17	299.17	296.30	2,393.36	2,097.06
Depreciation & Amortization	0.00	250.00	250.00	910.93	2,000.00	1,089.07
Interest Expense						

RESEARCH INSTITUTE
Statement of Revenues and Expenditures
From 2/1/2009 Through 2/1/2009

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Start-Up Costs	0.00	0.00	0.00	20,337.07	0.00	(20,337.07)
Indirect Overhead	0.00	0.00	0.00	0.00	0.00	0.00
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenses	<u>0.00</u>	<u>30,384.75</u>	<u>30,384.75</u>	<u>243,330.15</u>	<u>243,078.00</u>	<u>(252.15)</u>
Total Expense	<u>0.00</u>	<u>30,384.75</u>	<u>30,384.75</u>	<u>243,330.15</u>	<u>243,078.00</u>	<u>(252.15)</u>
Net Income & Expense	<u>0.00</u>	<u>(19,185.17)</u>	<u>19,185.17</u>	<u>(239,330.15)</u>	<u>(153,481.36)</u>	<u>(85,848.79)</u>

Cerner Optimization Project

TO: Board of Directors
MEETING DATE: Monday, May 11, 2009
FROM: Steve Tanaka, CIO
BY: Board Finance Committee
Tuesday, April 28, 2009

Background: An update on the Cerner Optimization project, which is scheduled for completion in May 2009, was presented at the Board Finance Committee meeting.

Budget Impact: None

Staff Recommendation:

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Cerner Clinical Systems Optimization

April 2009

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

What is Optimization?

Definition: Optimize - To write or rewrite so as to maximize efficiency and speed in information access, quality, and use. (loosely based on Computer definition on dictionary.com)

The Optimization project was based on recommendations from an independent expert review of the original Cerner installation. The report contained recommendations to achieve optimal functionality for the original applications based on analysis of current workflow and processes.

The project scope focused on achieving optimal performance on existing Cerner clinical systems and laying the foundation for future EHR projects.

Optimization Deliverables

CLINICAL DOCUMENTATION DELIVERABLES

Admission Process
Ongoing Assessment Process
Communication Process
Ordering Process
Documentation Process for Treatments
Monitoring and Results Viewing Process
Transfer and Discharge Process (Nursing and Physician)
Physician Review— Charted values online
Communication Process for Physicians
Medication Process
Monitoring and Results Viewing Process
Physician Rounding Process
Transfer and Discharge Process (Nursing and Physician)
Forms: Standards, Norms
Process, WorkFlow and Training

PERIOPERATIVE DELIVERABLES

SurgiNet Redesign
Surgical Case Tracking (white board)
Inventory Management including Implants
Management Reporting
Nursing Documentation & Work Flow
Invasive Scheduling (OR, Cath Lab, I/R)
Anesthesia Assessment of work flow
Scheduling, Physician Office Scheduling
Mobile Devices - Network and Hardware
SurgiNet Documentation
Preference Cards
Pick Lists
Interfaces
Management Reporting
Process, WorkFlow and Training

Optimization Project Summary

- Project Start: March 2007
- Project End: May 31, 2009

- Project Budget: \$ 10.4 M
- Project Estimate to Complete: \$ 10.4 M
- Funded through Operating Capital and Operating Expenses

- Completion: 95%
- Go Live April 30, 2009
- Project Closure May 31, 2009

Questions?

**Palomar Pomerado Health Hospital, Emergency Care, Trauma Center
Improvement and Repair Measure Bonds
Independent Citizens' Oversight Committee (ICOC)**

TO: Board of Directors
MEETING DATE: Monday, May 11, 2009
FROM: Bob Hemker, CFO
BY: Board Finance Committee
Tuesday, April 28, 2009

Background: The ICOC held their mid-year meeting on Tuesday, April 21, 2009. A report was made at the Board Finance Committee meeting on the following outcomes from that meeting, including:

- 1) **Mid-year review of the District's YTD FY2009 reimbursements from General Obligation (GO) Bond funds:** The ICOC raised no issues and agreed to move YTD reimbursements forward to their annual report to the District Board for FY2009, which will be issued after fiscal year end.
- 2) **Discussions with Internal and Construction Auditors:** Tom Boyle, Internal Audit Officer, and Jeff Miller, the sub-contracted construction auditor, attended the meeting and presented information on the processes they follow when conducting audits of construction expenditures. The presentation was well received, and the members expressed satisfaction with the audit processes being employed to ensure expenditures are both appropriately captured and within reasonable limits. Both gentlemen were invited—and have agreed—to provide updates at future ICOC meetings.
- 3) **Recommendations for Officers:** The District Board has delegated to the Board Chair and the Board Finance Committee Chair the responsibility for appointment of ICOC Officers. The members of the ICOC made the following recommendations for officers:

Chair: Margaret Moir
Vice Chair: Bill Hoffman
Secretary: John McIver

Board Finance Committee Chair Ted Kleiter and Acting Board Chair Linda Greer appointed the officers as recommended by the ICOC.

- 4) **Impending Vacancies:** Notice of impending vacancies on the ICOC—due to the expiration of terms for Past-Chair Steve Yerxa (At Large seat) and current Chair Bob Wells (Required Taxpayers' Organization member seat)—was posted following April's District Board meeting. As there have thus far been no applications received to fill those seats, the ICOC members were requested to notify any qualified persons with whom they were acquainted of the impending vacancies. The deadline for receipt of applications is currently set for Friday, May 15, 2009.

Budget Impact: N/A

Staff Recommendation: N/A

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

PPH Board Subcommittee Activity Summary

April, 2009

Internal Audit Committee

** DID NOT MEET IN APRIL **

ACTION ITEMS:

- None

INFORMATION ITEMS:

- None

PPH Board Subcommittee Activity Summary

April, 2009

Governance Committee

** DID NOT MEET IN APRIL **

ACTION ITEMS:

- None

INFORMATION ITEMS:

- None

PPH Board Subcommittee Activity Summary

April, 2009

Human Resources Committee

** DID NOT MEET IN APRIL **

ACTION ITEMS:

- None

INFORMATION ITEMS:

- None

PPH Board Subcommittee Activity Summary

April, 2009

Community Relations Committee

** DID NOT MEET IN APRIL **

ACTION ITEMS:

- None

INFORMATION ITEMS:

- None

PPH Board Subcommittee Activity Summary

April, 2009

Strategic Planning Committee

ACTION ITEMS:

- None

INFORMATION ITEMS:

- **2008 – 2009 Board goals** - were discussed
- **Parking Lot Items from Strategic Planning Retreat** – were reviewed
- **Cardiac/Imaging/Laboratory Strategic Needs** – were reviewed
- **Rehab / L – Tac** – were discussed
- **IT Infrastructure** – was reviewed
- **Facilities Master Plan** – was discussed
- **Financial Master Plan** – was discussed

MEMORANDUM

To: Nicole Dennis, Assistant to the Board
Nancy Wood, Assistant to the CEO

FROM: Tanya Howell, Assistant to the Board Finance Committee

DATE: 5/4/2009

RE: Board Finance Committee – APRIL 28, 2009, MEETING SUMMARY

INFORMATION ITEMS:

CSUSM Lease Renewal: The current lease of PPH property to the CSUSM School of Nursing is under review prior to renewal. Bob Hemker reported that topics of discussion regarding the renewal are the option to continue the lease in its current form through the end of the 2012 program year, as well as other viable options.

Health Development and Research Institute YTD Financial Reports: The staff of Health Development presented an informational update on the YTD Financial Reports for both entities.

Cerner Optimization: CIO Steve Tanaka updated the Finance Committee on the status of the Cerner Optimization project, which is scheduled to go live on April 30th. Final project closure is slated for May 31st, and the project is expected to come in on budget.

Update on Independent Citizens' Oversight Committee (ICOC): Bob Hemker presented an update following the mid-year meeting of the ICOC:

- **Mid-year Review of the District's YTD FY2009 Reimbursements from General Obligation (GO) Bond Funds:** The ICOC raised no issues and agreed to move YTD reimbursements forward to their annual report to the District Board for FY2009, which will be issued after fiscal year end.
- **Discussions with Internal and Construction Auditors:** Tom Boyle, Internal Audit Officer, and Jeff Miller, the sub-contracted construction auditor, attended the meeting and presented information on the processes they follow when conducting audits of construction expenditures. The presentation was well received, and the members expressed satisfaction with the audit processes being employed to ensure expenditures are both appropriately captured and within reasonable limits. Both gentlemen were invited—and have agreed—to provide updates at future ICOC meetings.
- **Recommendations for Officers:** The District Board has delegated to the Board Chair and the Board Finance Committee Chair the responsibility for appointment of ICOC Officers. The members of the ICOC made the following recommendations for officers:

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were requested to notify any qualified persons with whom they were acquainted of the impending vacancies. The deadline for receipt of applications is currently set for Friday, May 15, 2009.

ACTION ITEMS:

Emergency On-Call Agreement – Gastroenterology Services: Recommended approval of the one-year **[May 1, 2009 to April 30, 2010]** Emergency On-Call Agreement with Maram F. Zakko, M.D., for Gastroenterology Services at POM.

Practice Recruitment Agreement: Recommended approval of the Practice Recruitment Agreement Among PPH, Thomas A. Jones, M.D., A Professional Corporation, and Brian A. Link, M.D.

Centre for Healthcare Electronic Healthcare Record (EHR) Agreement: Reviewed and recommended approval of an Agreement with PIMG, A Professional Medical Corporation, a California medical corporation doing business as Centre For Health Care Medical Associates, whereby PPH would pay a 75% portion of the costs incurred to obtain EHR software and information technology and training services necessary and used predominantly to create, maintain, transmit or receive EHR and updates and/or upgrades to items and services that achieve standardization necessary to enhance the functionality of EHR systems.

Friendly PC (Professional Corporation): Reviewed and recommended approval for the formation of a Friendly PC Business Model with Robert Trifunovic, M.D.

Cerner Remote Hosting Option (RHO): Reviewed and recommended approval for the outsourcing of the PPH Cerner data center services to the Cerner Corporation.

Cerner Fixed Technology Fee (FTF) Extension for EHR Projects: Reviewed and recommended approval for the extension of the Cerner Master Fixed Technology Fee (FTF) Agreement, to include PPH Electronic Health Record (EHR) Projects, through the year 2016.

March 2009 and YTD FY2009 Financial Report: Utilizing the standard Financial Reporting Packet, reviewed March financial performance and YTD, which reflected a \$16.6 million bottom line net income YTD, which is \$5.6 million greater than last year. Cash collections hit an all-time high for one month at \$39.5 million.