

**Palomar Pomerado Health
BOARD OF DIRECTORS
REGULAR BOARD MEETING
Graybill Auditorium, Palomar Medical Center
Monday, June 9, 2008**

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:35 pm Quorum comprised Directors Bailey, Bassett, Greer, Kleiter, Krider, Larson and Rivera.		
OPENING CEREMONY	The Pledge of Allegiance was recited in unison.		
MISSION AND VISION STATEMENTS	<p>The PPH mission and vision statements are as follows:</p> <p><i>The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve.</i></p> <p><i>The vision of PPH is to be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services.</i></p>		
NOTICE OF MEETING	Notice of Meeting was mailed consistent with legal requirements		
PUBLIC COMMENTS	<p>Robroy Fawcett spoke in regard to the Kaiser agreement he received in response to a California Public Records Act request.</p> <p>Craig Burrows, M.D. was present to ask the Board to recommend that negotiations between PPH and Valley Radiology Consultants be resumed so that an agreement can be reached.</p> <p>James Otoshi, M.D. expressed concern in regard to the termination notice given to VRC. He asked on behalf of patients and community members that both sides get back to the negotiation table.</p>		

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<p>APPROVAL OF MINUTES</p> <ul style="list-style-type: none"> • Regular Board Meeting May 12, 2008 • Special Board Meeting May 12, 2008 • Special Board Meeting April 21, 2008 • Special Board Meeting May 19, 2008 • Special Board Meeting May 21, 2008 • Strategic Planning – Full Board – May 8, 2008 		<p>MOTION: by Rivera, 2nd by Bailey and carried to approve all minutes as submitted. All in favor. None opposed.</p>	
<p>APPROVAL OF AGENDA to accept the Consent Items as listed</p> <ul style="list-style-type: none"> A. Consolidated Financial Statement B. Revolving Fund Transfers/Disbursements – April, 2008 C. Ratification of Paid Bills D. April 2008 & YTD FY2008 Financial Report - <i>Addendum A</i> E. Conversion to SNF Beds to Sub-Acute - <i>Addendum B (proposal)</i> F. Psychiatric Medical Director Agreement Amendment – Paul R. Keith, M.D. G. Medical Director Diagnostic Cardiology Services Agreement – Robert Stein, M.D. H. Physician Recruitment Agreement – Gabriela M. DiLauro, M.D. and Escondido OBGYN, Inc. I. Physician Recruitment Agreement – Radmila Kazanegra, M.D. and Escondido OBGYN, Inc. J. Charity Policy – Governance Committee K. Board Review of PPH Policies – GOV20 – Governance Committee L. Annual Review of Committee Bylaws – Board Quality Review Committee – 	<p>Director Greer commented that there is no conflict of interest in regard to items H and I (physician recruitment agreements with Gabriela DiLauro, M.D. and Radmila Kazanegra with Escondido, OBGYN, Inc.) The Governance Committee will be reviewing the PPH Conflict of Interest policies at their next meeting.</p>	<p>MOTION: by Kleiter, 2nd by Bassett and carried to approve the Consent Items as submitted. All in favor. None opposed.</p>	

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PRESENTATION			
<ul style="list-style-type: none"> ▪ Communities Against Substance Abuse – Lisa A. Archibald, MSW 	<p>Mary Harrison, Executive Director, Communities Against Substance Abuse, Dana Stevens, Chair, PPH Committee on Alcohol, Tobacco and Other Drugs, Lisa Archibald, MSW, representing Communities Against Substance Abuse were present to give an award to PPH in recognition of PPH's Smoke-Free Policy.</p>		
<ul style="list-style-type: none"> ▪ Compliance 360 - Janine Sarti, General Counsel 	<p>Janine Sarti, PPH General Counsel and Sharon LaDuke, PPH Contract Administrator were present to provide the Board with an introduction to the Compliance 360 Program. It is a new contract management software system which will be implemented in August or September at PPH.</p> <p>Director Bassett inquired about contracts with emergency and disaster preparedness providers. More to follow in this regard per Michael Covert.</p>		
REPORTS			
Medical Staff			
Palomar Medical Center			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>John J. Lilley, MD., Chief of PMC Medical Staff, presented PMC's requests for approval of Credentialing Recommendations.</p>	<p>MOTION: by Kleiter, 2nd by Bailey and carried to approve the PMC Medical Staff Executive Committee credentialing recommendations for the PMC Medical Staff, as presented. All in favor. None opposed.</p> <p>Directors Greer and Larson abstained to avoid potential conflict of interest.</p>	
Pomerado Hospital			
<ul style="list-style-type: none"> ▪ Credentialing 	<p>Benjamin Kanter, MD., Chief of Pomerado Medical Staff, presented Pomerado Hospital's requests for approval of Credentialing</p>	<p>MOTION: by Kleiter, 2nd by Bailey and carried to approve the Pomerado Hospital Medical Staff Executive</p>	

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	Recommendations.	Committee credentialing recommendations for the Pomerado Medical Staff, as presented. All in favor. None opposed. Directors Bassett, Greer and Larson abstained to avoid potential conflict of interest.	
Administrative			
Chairman - Palomar Pomerado Health Foundation			
	Mr. Al Stehly reported on the Foundation's recent activities, noting that last Saturday's Night of Nights gala was a great success. He offered his thanks to all involved in the planning of this event. Over \$642,000 was raised. Many complimentary comments have been received by those who attended. Planning for next year's gala is already underway. Mr. Bill Chaffin has agreed to Chair the committee. Almost \$750,000 was raised by the Foundation in April. \$1,028,000 was raised in May.	Mr. Stehly was thanked for his efforts and leadership on the Foundation Board. Chairman Krider offered his congratulations to all involved in the planning of the gala.	
Chairman of the Board - Palomar Pomerado Health	<i>Bruce G. Krider, MA</i>		
•	No Report		
President and CEO	<i>Michael H. Covert, FACHE</i>		
•	Mr. Covert also offered his thanks to all those involved in making the Gala a great success. He specifically acknowledged Gustavo Friederichsen for his all his hard work behind the scenes over the past several months.		
•	Finalization of the contract with Fulbright and Jaworski to provide legal services to PPH is underway.		
•	July 21 st is the date of a special Board Education session. The special speaker will be Richard Umbdenstock, President and CEO of the American Hospital Association.		

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<ul style="list-style-type: none"> Quarterly Reports from Executive Staff - Gerald Bracht 	<p>Staff are aggressively flexing personnel in line with activity levels and reviewing their operations for opportunities to increase efficiencies. Through the last pay period number 24 the Ancillary Services Division has generated efficiencies totaling about \$1.2 million.</p> <p>The RFP process to identify a new Radiology Group to provide professional services to the imaging departments on both campuses has been initiated. The timeline calls for all responses to be returned to PPH by July 11th. Concurrently, work is underway with the Medical Staffs to identify a multidisciplinary group representing all departments and campuses to form the RFP review committee.</p> <p>Ann Koeneke and Gerald Bracht attended an open house at Camp Pendleton on May 21st to learn of the base plans for a new replacement facility and ways in which access for military personnel and their families could be improved through community resources.</p> <p>There is an upward positive trend in both the inpatient units combined and emergency department. Month to date scores are the highest either area has received at 85.0 and 84.2 respectively against a target of for the year of 82.4. The outpatient areas are showing mixed results for the month to date but also have very low response rate with only a couple surveys returned at most in these areas.</p> <p>The Joint Commission survey at PMC started today and will conclude on Friday.</p> <p>Both the hospital and the laboratory await their tri-annual and bi-annual accreditation surveys.</p>		



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	<p>Palomar is anticipating a National Quality award for leadership resulting from our consistent top decile performance in 4 out of 5 of the CMS core measures over the past few years.</p> <p>Gerald Bracht attended the California American College of Emergency Physicians on Thursday, May 29 to participate on a panel discussion addressing Overcrowding in The Emergency Department.</p>		
<ul style="list-style-type: none"> • - David Tam, M.D. 	<p>In the final quarter of FY08, Pomerado Hospital is above budget in regard to patient census and patient days. Work continues on improvement of throughput.</p> <p>The Joint Commission survey was held at Pomerado Hospital and Villa Pomerado a few weeks ago. Full accreditation of those facilities is anticipated.</p> <p>The Pomerado Medical Staff Quarterly meeting will be held on June 10.</p> <p>Dr. Kanter commented on the new robotic technology now in use in the ICU at Pomerado. This technology helps to facilitate physician, staff and patient interaction when the physician is not able to be present in the room with patients.</p>		
<ul style="list-style-type: none"> • -Lorie Shoemaker, R.N. 	<p>Recent PPH graduates from USD School of Nursing were Melissa Dennis-Rouse, Jennifer Randles, Lourdes Januszewisz, Ann Rocha and Jin Brown. Caroline Etland and Brenda Fischer were each awarded their PhD in Nursing. All were congratulated for achieving these educational milestones.</p> <p>Jackie Close, PPH Gerontology CNS, was recently honored by Point Loma Nazarene University School of Nursing for</p>		

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	<p>demonstrating excellence in advanced practice nursing.</p> <p>Excerpts from a letter sent to Mary Oelman from Mira Costa College LVN-RN program that PPH helped get off the ground last year were read.</p> <p>It was announced to the Board that the Magnet Commission has accepted our documents and that PPH will be receiving a site visit September 15-18th. The Magnet Documentation Team was thanked for all their efforts and the entire organization for their support for the past five years.</p>		
<ul style="list-style-type: none"> -Sheila Brown, R.N. 	<p>Clinical Outreach Services is at a 100% productive, with a positive variance of \$375,333 for PPE 5/25/08.</p> <p>Corporate Health reported an increase in revenue from \$327,121 in FY07 and \$585,957 for the same period in FY08. CHS services were utilized by an additional 124 businesses in FYTD08.</p> <p>Employee Health continues to excel on Workers Compensation outcomes and benchmark indicators.</p> <p>Due to upcoming reimbursement changes in the State budget, it was decided that it is no longer possible to continue to participate in the voluntary MediCal Waiver and Respite Programs. PPH Home Health management staff is working with families to find other providers and to assist in the transition.</p> <p>PMC and Pomerado Wound Care Clinics are showing positive contribution margins of \$58,261 at PMC and \$43,484 at Pomerado.</p>		

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	<p>Diabetes Health recently underwent an audit by the Iowa Foundation on behalf of CMS and the American Diabetes Association. The program passed with flying colors and was complimented on its multidisciplinary approach. Diabetes Health had a site visit by the Program Coordinator of Sweet Success, the California Diabetes and Pregnancy Program and received a complimentary review for the gestational diabetes program. Diabetes Health will be hosting a symposium for PPH physicians on June 21.</p> <p>PPH <i>expresscare</i> patient satisfaction ratings have remained in the 90th percentile for waiting time and 100th percentile for quality of care, professionalism of staff, value of service for the cost and length of time spent with the clinician. Open House events are planned for June 13th in Escondido and June 21 in Rancho Penasquitos.</p> <p>Project 21 continues in its implementation phase.</p>		
<ul style="list-style-type: none"> • -Steve Gold 	<p>A presentation was made to the Florida Safety Officers Association in Jacksonville, Florida on May 9 in regard to the fires experienced in San Diego County in October. One additional presentation will be made to the State Nursing Home Association in July.</p> <p>A change is in process for the leadership in Environmental Services, a new Interim System Director, Mike Mckee has joined our team.</p> <p>Sub-acute conversion of LTC beds was approved by the Board Finance Committee. This will allow conversion of 12 LTC beds increasing our capacity in sub-acute level from 20 to 32 and will also address Medi Cal reimbursement changes.</p>		

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	<p>Health Dimensions Consulting (performing an analysis for strategic development of LTC options for PPH) is in the process of evaluating information obtained through reports and staff interviews. Initial reports will be obtained at the end of June with a report to Board Strategic Committee during the summer.</p> <p>A visit has been set for staff to visit Laguna Honda, San Francisco replacement of the old 1200 long term care facility operated by the City of San Francisco in July. The purpose of the visit is to get ideas as new facilities are designed for LTC operations, especially at Palomar East.</p> <p>Staff have been interviewing a number of LVNs from a discontinued Medi Cal funded home health program. A number of potential transfers may take place.</p> <p>Orlando Portale is touring our nursing facilities to determine the applicability of Second Life to a long term care environment. Orlando will also be presenting Second Life at the Annual CHA long term care conference in October.</p> <p>Marilyn Bailey, DON, for Villa Pomerado has officially obtained her Bachelors in Nursing in order to ensure full compliance with our Magnet application. She does in fact have a Bachelors and Masters, but neither degree had been in Nursing per Magnet requirements.</p>		
INFORMATION ITEMS	<i>Discussion by exception only</i>		
▪ Finance			
▪ Human Resources			
COMMITTEE REPORTS			
Governance	<i>Linda Greer, R.N., Chair</i>		
• Approval of Amended	The Governance Committee approved the	MOTION: by Krider, 2 nd by Bailey	

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and Restated PPH Bylaws	revisions to the bylaws to reflect that Finance and Strategic Planning Committees will have three Board representatives each instead of four. Board approval is sought for the amended and restated bylaws.	and carried to approve the amended and restated PPH bylaws. All in favor. None opposed.	
Strategic Planning	<i>Marcelo Rivera, M.D., Chair</i>		
<ul style="list-style-type: none"> • Approval of DPR Construction, Inc. Draft Agreement 	Dr. Rivera requested Board approval of the DRP Construction, Inc. draft agreement in order to proceed with contract negotiations.	MOTION: by Kleiter, 2 nd by Bailey and carried to approve the draft agreement with DPR, Construction, Inc. All in favor. None opposed.	
COMMITTEE CHAIR COMMENTS			
<ul style="list-style-type: none"> • Internal Audit 	There was no meeting in May.		
<ul style="list-style-type: none"> • Governance 	Topics of discussion/action at the May 20 th meeting included an annual review of Quality Review Committee bylaws, approval of revised Charity Policy, Board bylaws revision to reflect that Finance and Strategic Planning Committees will have three Board representatives each instead of four, wording change for GOV-20 policy and discussion of a decision tree protocol.		
<ul style="list-style-type: none"> • Human Resources 	Judy Papenhausen, Ph.D., Director of the CSUSM School of Nursing would like to provide an update to the PPH Board in regard to the school's nursing program.		
<ul style="list-style-type: none"> • Strategic Planning 	The May 8 th meeting was a Joint Board/Strategic Planning meeting.		
<ul style="list-style-type: none"> • Community Relations 	There was no meeting in May. The next meeting is June 20 th .		
<ul style="list-style-type: none"> • Board Facilities and Grounds 	There was no meeting in May.		
<ul style="list-style-type: none"> • Board Quality Review 	No additional report.		
<ul style="list-style-type: none"> • Finance 	There will be a Board budget workshop on June 18th at Pomerado. Individual meetings with Bob Hemker and Board members are underway.		

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BOARD MEMBER COMMENTS and AGENDA ITEMS FOR NEXT MONTH	<p>Director Bailey commented that she enjoyed her recent tour of the mock up rooms with the Expert Advisory Panel participants.</p> <p>Dr. Rivera reported on his recent activities as a member of the Committee on Governance, Region 9 Trustee Liaison of the American Hospital Association. Educational and informational material of interest to the Board was distributed for their review. Dr. Rivera specifically commented about the Healthcare for Life Initiative and the importance of being educated about proposed health plans. He also reminded everyone about the upcoming AHA leadership conference in July which will take place in San Diego.</p> <p>Director Bassett reported that her husband recently experienced care at PMC firsthand. She praised the staff for the outstanding care he received.</p> <p>Director Greer would like to hear reports on the valet services at PMC and the translator phones.</p>		
ADJOURNMENT	7:55 p.m.		
SIGNATURES <ul style="list-style-type: none"> ▪ Board Secretary ▪ Interim Board Assistant 	<p style="text-align: center;">  <hr/> Linda Bailey </p> <p style="text-align: center;">  <hr/> Nancy Wood </p>		