

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

15615 Pomerado Road
Poway, CA
Meeting Room E
Monday, November 10, 2008

AGENDA ITEM	DISCUSSION	CONCLUSIONS/ACTION	FOLLOW-UP/RESPONSIBLE PARTY
CALL TO ORDER	6:30 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	None.		
APPROVAL OF MINUTES <ul style="list-style-type: none"> • Regular Board Meeting October 20, 2008 		MOTION: by Bailey, 2 nd by Kleiter and carried to approve the October 20 th minutes as submitted. All in favor. None opposed.	
APPROVAL OF AGENDA to accept the Consent Items as listed <ul style="list-style-type: none"> A. Consolidated Financial Statements B. Revolving Fund Transfers/Disbursements – September, 2008 <ul style="list-style-type: none"> 1. Accounts Payable Invoices 	Director Kleiter noted that the audited financials had been reviewed and approved by the Audit and Compliance Committee as well as the Finance Committee before coming before the board for approval.	MOTION: by Kleiter, 2 nd by Bailey and carried to approve the Consent Items A. – G as submitted. All in favor. None opposed.	

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<p style="text-align: center;"> \$37,067,880.00 2. Net Payroll \$10,259,396.00 TOTAL \$47,327,276.00 </p> <p> C. Ratification of Paid Bills D. September 2008 & YTD FY2009 Financial Report (Addendum A) E. Draft Audited Financial Statements for Years Ended June 30, 2008 and 2007 & Independent Auditors' Report F. Formation of Palomar Pomerado Health Retail Group, LLC G. Operating Agreement of Palomar Pomerado Health Retail Group, LLC </p>			
<p>PRESENTATIONS</p>			
<p>Health Academy in Valley Center - Nancy Roy, Joel Vexler, Shandrea Degen, Lou Obermeyer, MD, Olivia Leschick and students from Valley Center High School</p>	<p>Valley Center-Pauma Unified School District established a 7-12th grade Health Science Pathway Program. Valley Center High School was awarded a \$150,000 grant that established and implemented the Health Science Pathway Program. A Health Science Pathway Committee was formed and was comprised of teachers, principals, administrators, college representatives and health agency partners which included the Palomar Pomerado Hospital System.</p> <p>As the Chair of the PPH Pala/Pauma/Valley Center Community Advisory Board, Olivia Leschick enlisted the assistance of the PPH Community Outreach department to assist in the establishment of a health career pathway program that would prepare the next generation of healthcare workers needed in the area.</p> <p>The goal of the program is to educate and prepare students starting in Middle School and High School for careers in healthcare and</p>		

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	<p>for growth through additional post secondary schooling.</p> <p>The grant awarded to Valley Center High School provided funds for the development of high school coursework and a planned pathway that includes options in Therapeutic Services, Diagnostics Services, Biotechnology Research, Health Informatics and/or Support Services leading to a license or post secondary entry requirements for an associate degree and/or a bachelor's degree in health or science.</p> <p>It also includes opportunities for work based learning experiences, job shadowing, guided study tours, volunteer activities and internships.</p> <p>Valley Center High School students are part of the PPH Red Shirt program. PPH has also provided experts in the field of medicine at the Spring 2008 Health Faire that included the viewing of the DaVinci Robot.</p> <p>The lead health career pathway teacher, Joel Vexler, and high school students gave a brief presentation on this partnership between Valley Center High School and PPH regarding the Health Career Pathway program. A video clip of the student Health Faire that highlighted the DaVinci Robot was shown.</p>		
REPORTS			
Medical Staff			
Palomar Medical Center – John J. Lilley, M.D.			
<ul style="list-style-type: none"> ▪ Credentialing/Reappointments 	<p>John J. Lilley, M.D., presented Palomar Medical Center's request for approval of Credentialing Recommendations.</p>	<p>MOTION: by Bailey, 2nd by Kleiter and carried to approve the PMC Medical Staff Executive Committee credentialing</p>	

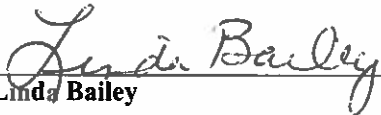

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	<p>Director Bassett inquired if the uncertified recommendations were in process of becoming certified. Dr. Lilley confirmed that they were.</p>	<p>recommendations for the PMC Medical Staff, as presented. All in favor. None opposed.</p> <p>Directors Greer and Larson abstained to avoid potential conflict of interest.</p>	
<p>Pomerado Hospital – Benjamin Kanter, M.D.</p>			
<ul style="list-style-type: none"> ▪ Credentialing/Reappointments 	<p>Benjamin Kanter, MD., Chief of Pomerado Medical Staff, presented Pomerado Hospital's requests for approval of Credentialing Recommendations.</p> <p>Dr. Kanter recognized Greg Bohart, MD's retirement.</p>	<p>MOTION: by Bassett, 2nd by Kleiter and carried to approve the Pomerado Hospital Medical Staff Executive Committee credentialing recommendations for the Pomerado Medical Staff, as presented.</p> <p>All in favor. None opposed.</p> <p>Directors Greer and Larson abstained to avoid potential conflict of interest.</p>	
<p>Administrative</p>			
<p>Chairman - Palomar Pomerado Health Foundation</p>	<p><i>Al Stehly, Chairman, PPHF</i></p>		
<ul style="list-style-type: none"> ▪ Updates on PPHF Activities 	<p>Mr. Stehly noted that the Foundation had been actively meeting with people and hosting events for both donors and prospective donors. Recent events included the PPH West model unveiling and an event at the warehouse. The employee capital campaign had two successful events with over 100 new donors.</p> <p>Upcoming events include the Leadership Council of Pala reviewing the mock-up rooms and the dedication of the Kimberly Parker Education Room.</p> <p>Mr. Stehly also noted that the San Marcos Fire Department would be sending all of their firefighters through the mock-up rooms as</p>		

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	<p>part of training.</p> <p>Director Larson proposed periodic joint Board meetings with the Foundation. Mr. Stehly acknowledged the benefits of such meetings and agreed to discuss further after the first of the year.</p>		
Chairman of the Board - Palomar Pomerado Health	<i>Bruce G. Krider, MA</i>		
<ul style="list-style-type: none"> ▪ Presentation of Resolution 11.10.08 (01) - 11 in Appreciation of Linda Bailey 	<p>Chairman Krider presented Director Bailey with a resolution of appreciation and thanked her for her service on the Board.</p>		
<ul style="list-style-type: none"> ▪ Meeting with the City of Escondido Ad Hoc Committee 	<p>Chairman Krider and administration members met with a City of Escondido Ad Hoc Committee regarding Nordal, Citricado and communications. The Ad Hoc committee discussed improvements for the Nordal Interchange and how best to close Citricado Street. The building of a new bridge is planned for the Nordal Interchange and is on schedule. The Ad Hoc committee reiterated their involvement and support in keeping on schedule with PPH's schedule for the opening of Palomar West.</p> <p>Interim parking at 456 Grand was also discussed. Mr. Covert commented that staff was moving into the building at varying stages in order cause minimal disruption of work.</p> <p>The City of Escondido Ad Hoc committee has been invited to attend the PPH Facilities and Grounds committee meetings. Escondido City Planner and Mr. McDaniels (liaison) have been attending regularly.</p>		
President and CEO	<i>Michael H. Covert, President and CEO</i>		
	<p>Mr. Covert congratulated the re-elected Board members and welcomed newly elected Board member Jerry Kaufman.</p> <p>Reminders were noted for the Joint</p>		

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	<p>Conference Committee meeting on Wednesday, November 12 at PMC and the full Board Strategic Planning Committee meeting on Tuesday, November 11 at Innovation. The Administration staff will be sharing goals for first quarter at the Strategic Planning Committee meeting.</p> <p>Mr. Hemker reported on the East Valley Parkway property. Escrow was slated for close in mid December but will close early on Wednesday, November 12.</p> <p>Mr. Hemker also provided an update on the bond issues discussed at October's Board meeting. The finance team decided to put the bonds on hold until February 2009. Mr. Hemker consulted with various team members and a decision was made to review first quarter market conditions before moving forward.</p>		
INFORMATION ITEMS	<i>Discussion by exception only</i>		
1. Human Resources – Quarterly Report			
2. Human Resources – Recruitment Plan			
3. Human Resources – Quarterly Report			
4. Human Resources – Recruitment Plan			
5. Human Resources – Updates on carpooling, Fidelity, OD Director status and benefits			
6. Strategic Planning – Behavioral Health Plan			
COMMITTEE REPORTS			
Facilities and Grounds Committee – Marcelo Rivera, M.D., Chair 1. Proposal for Delegation of Signature Authority	<p>Director Rivera proposed that in an effort to make emergent decisions in a timely manner and avoid costly delays, the Board should delegate signature authority under specific conditions.</p> <p>The specific conditions include delegating signature authority to a special ad hoc</p>	<p>MOTION: by Kleiter, 2nd by Bailey and carried to approve the Proposal for Delegation of Signature Authority as presented.</p> <p>All in favor. None opposed.</p>	

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	<p>committee composed of four members of the Board Facilities and Grounds Committee: Chair of the Board Facilities and Grounds Committee, or designee in the Chair's absence, CEO, PPH CAO Pomerado, Executive in charge of Construction for PPH and Director, Facilities Construction.</p> <p>The ad hoc committee would have delegated signature authority from \$150,000 up to \$1 million only as it pertained to urgent construction decisions at the PMC-West site.</p> <p>All decisions made under the delegated authority would undergo review at the next Board Facilities and Grounds Committee meeting. Any decision involving amounts greater than \$1 million would proceed for Board approval as per current existing processes. The Board Chair would be informed of all change orders signed by the Ad Hoc Committee.</p> <p>The Ad Hoc Committee would have authority for up to \$40,000,000.00 in total change orders over the scope of the project.</p> <p>Director Rivera gave updates on the construction progress of PMC-West. There is a YouTube video of the progress and steel will be erected November 17th.</p>		
<p>Governance Committee – Linda Greer, R.N., Chair (Addendum D)</p> <ul style="list-style-type: none"> ▪ 1. Annual Fees for Board Packet – Gov 19 ▪ 2. Board Responsibilities – Gov 7 ▪ 3. Governance – Gov 15 ▪ 4. Naming Policy – Gov 23 ▪ 5. Organizational Bylaws – Gov 2 ▪ 6. Promulgation of PPH Procedures – Gov 13 ▪ 7. Smoking Policy in PPH Facilities – HR 7 	<p>Director Greer proposed the addition of wording to the Gov19 policy stating the Board Packet's electronic availability in order to help reduce the number of hard copies requested.</p> <p>Director Greer proposed distributing copies of Gov15 to Board members and adding a list of all sixty Board policies to the Board Handbook.</p>	<p>MOTION: by Bailey, 2nd by Larson and carried to approve items 1 - 6 as presented. Item 7 was pulled for revision.</p> <p>All in favor. None opposed.</p>	

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	<p>The Gov23 Naming policy will have new project naming taken to the board and established buildings cannot have names changed without the Board approval.</p> <p>Gov13 proposed changing the review of bylaws from annually to every three years or as needed.</p> <p>HR7 needs to be amended, policy should say no exceptions..</p>		
COMMITTEE CHAIR COMMENTS			
<ul style="list-style-type: none"> • Community Relations 			
<ul style="list-style-type: none"> • Facilities and Grounds 			
<ul style="list-style-type: none"> • Governance 	<p><u>ACTION ITEMS:</u></p> <ul style="list-style-type: none"> • Annual Fees for Board Packet – Gov 19 • Board Responsibilities – Gov 7 • Governance – Gov 15 • Naming Policy – Gov 23 • Organizational Bylaws – Gov 2 • Promulgation of PPH Procedures – Gov 13 • Smoking Policy in PPH Facilities – HR <p><u>INFORMATION ITEMS:</u> NONE</p>		
<ul style="list-style-type: none"> • Human Resources 			
<ul style="list-style-type: none"> • Audit 			
<ul style="list-style-type: none"> • Quality 	<p><u>ACTION ITEMS:</u> NONE</p> <p><u>INFORMATION ITEMS:</u></p> <ul style="list-style-type: none"> • Status of the Dir of Corporate Compliance search: the interview process that is underway to fill the Director of Corporate Compliance position was reviewed. • Status of the Compliance Hotline was discussed. • Fiscal Year-End Audit information 		

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	<p>was shared by Deloitte & Touche. The process is going very well and is on schedule to meet deadlines</p> <ul style="list-style-type: none"> • Status of Revenue Cycle activities as related to ROC was discussed • Repot on Cerner Update and Optimization Project was reported 		
<ul style="list-style-type: none"> • Strategic Planning 			
<ul style="list-style-type: none"> • Finance 			
<p>BOARD MEMBER COMMENTS and AGENDA ITEMS FOR NEXT MONTH</p>	<p>Director Greer commented that an Ad Hoc Committee was putting together an audit and compliance document for discussion at the December Board meeting.</p> <p>Director Bassett noted that there was an online interview training tool for managers and that the Ride link carpool offered emergency rides home if needed.</p>		
<p>ADJOURNMENT</p>	<p>7:37 p.m.</p>		
<p>SIGNATURES</p> <ul style="list-style-type: none"> ▪ Board Secretary ▪ Board Assistant 	<p> Linda Bailey</p> <p> Nicole Dennis</p>		