

June 3, 2008

A special meeting of the Board of Commissioners of Whidbey Island Public Hospital District was called to order at 6:32 p.m. by Board President, Roger Case. Present were Commissioner Case, Commissioner Schoenknecht (via telephone), Commissioner Miller, Commissioner Zaveruha and Commissioner Wallin. Chief Executive Officer, Scott Rhine, Chief Financial Officer, Joe Vessey, Chief Operating Officer, Tom Tomasino, Dale Roundy, Esq., Donna Moniz, Esq. (via telephone), Dr. Dwersteg, Dr. Barrio, Pat Stanwood and Trish Rose were also present.

The Board President announced the purpose of the special meeting is for consideration of proposed amendment to Hospital District bylaws, discussion and direction to Administration regarding contracting for anesthesia services and approval of Resolution #283 for contracting for anesthesia services.

There were no points of order noted.

Consideration to Amend Board Bylaws

Scott Rhine, CEO reviewed the proposed changes made to the bylaws. Commissioner Miller made a motion, seconded by Commissioner Schoenknecht to amend the Board bylaws as presented. Discussion followed with Commissioner Zaveruha objecting to the proposed amendments stating that this creates an imbalance of power amongst the Board, Administration and the medical staff, who he views should be three equal partners. These amendments give the Board more power and, in his view, puts the medical staff at a disadvantage, which could potentially decrease the quality of care for patients. Commissioner Zaveruha further indicated that this would be adverse for medical staff recruitment. President Case stated that he feels totally the opposite, that this will help to stabilize care, recruitment and quality of care for patients. Commissioner Miller agreed with President Case, as did Commissioner Schoenknecht. Commissioner Wallin wants to make sure the "door is kept open" to research other options, and that the Board is kept aware of comments if these changes have a negative effect, which the Board agreed with. Commissioner Wallin also indicated that he had been called by several physicians suggesting that it would be better from their perspective to have the Medical Executive Committee "approve" the selected contractor prior to the Board taking any action. Donna Moniz, legal counsel, cautioned the Board that this would not be prudent where they had legal responsibility for decisions in this area; and, she cautioned that the Medical Executive Committee would be subject to greater scrutiny as it might be perceived they were in a position (as physician peers) to limit competition. This could result in possibly more legal claims specifically against the Medical Executive Committee based upon anti-trust issues. Board Commissioners thanked Donna for her input and opinion. With no further discussion, the motion made by Commissioner Miller and seconded by Commissioner Schoenknecht to amend the Hospital bylaws as presented was carried, with four commissioners voting to approve and Commissioner Zaveruha voting to oppose.

Anesthesia Contract Selection Process

Mr. Rhine reviewed the draft process for selecting an anesthesia contractor, noting slight revisions to #2, #3, #4, #5 and #7 of the first handout presented to Commissioners on May 29, 2008 at the first special Board meeting. After review and discussion, Commissioner Zaveruha made a motion, seconded by Commissioner Schoenknecht to approve the process for contracting anesthesia services as presented. Motion carried. Mr. Rhine will work with Dr. Bibby and Dr. Burnett on appointing a selection committee. It is hoped requests for proposal can be sent out by June 15, 2008 or sooner. The Board requested to review the proposals prior to sending out. Commissioner Wallin recommended that it be stipulated that interested parties be given 30 days from receipt of request to produce their proposals. In conclusion to this discussion, Commissioner Wallin made a motion, seconded by Commissioner Schoenknecht to change the July 15, 2008 date that Requests for Proposal be returned. Instead the proposals should be due thirty days from when they are sent out. This new motion carried unanimously. Mr. Rhine indicated that this was a good suggestion and he would change the proposed language that would also be presented to the selection committee.

Board Resolution #283

Dr. Case informed commissioners that he had discussed the matter of exclusive contracting within the medical staff during their monthly meeting and in their executive session. He asked if any of the physicians present at the staff meeting were opposed to the Board taking this action at this time (approving the hospital bylaw changes and authorizing Administration to work with medical staff leadership to interview and make recommendations for an exclusive anesthesia contract). He reported that there were approximately 5 physicians who had been opposed and the remainder (usually a total of 35-40 physicians and mid-level providers present) appeared supportive.

Following this discussion and noting that the proposed resolution had one change since the previous week (to add the wording, "and to increase surgical volumes"), Commissioner Miller made a motion, seconded by Commissioner Schoenknecht to approve Resolution #283 authorizing hospital Administration to prepare a formal request for proposal to be sent to potential anesthesia contractors and to proceed with the selection and recommendation process as previously outlined and approved. Motion carried unanimously.

There being no further business, the meeting adjourned at 6:50 p.m.