

September 15, 2011

MINUTES FROM A SPECIAL MEETING
OF THE
BOARD OF DIRECTORS
OF
PLUMAS DISTRICT HOSPITAL

BOARD MEMBERS PRESENT: Valerie Flanigan, Mark Satterfield, M.D., John Kimmel, Bill Wickman and Kathy Price.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: Doug Lafferty, Cindy Crosslin, Brenda Compton, Lisette Hokanson, Linda Jameson, Denise Harding, Tiffany Leonhardt, Skip Alexander and Mona Hill.

I. Call to Order and Introduction of Audience / Public Comment

President Flanigan called the meeting to order at 3:33 p.m.

II. Approval of Agenda

Bill Wickman motioned to approve the agenda as presented. Dr. Satterfield seconded the motion; motion carried.

III. Electronic Medical Record Vendor Recommendation, Discussion and Possible Selection

Doug noted the EMR (Electronic Medical Record) task force spent a lot of time investigating vendors, and that Brenda Compton will walk us through the entire story.

Brenda gave a special thanks to Lisette Hokanson for her efforts in reviewing vendors. This change will replace our current computer system and replace it with an EMR. Brenda presented the PowerPoint report which included the following materials: Definition of an EMR and its benefits, definition of Meaningful Use and its requirements and incentives, how PDH performed its vendor selection, and overview of the top two vendors, vendor scoring and comparison, implementation timelines, and a final recommendation. Handouts available included the vendor scoring and comparison, Meaningful Use objectives and measures, and Medi-Cal Electronic Health Record Incentive Program information.

It was noted the government hasn't yet defined the rules for Health Information Exchanges (HIEs). Both vendor options are certified for Meaningful Use requirements. Mark Satterfield amplified that Meaningful Use is targeted to improve patient care and decrease errors with two components: 1) CPOE (Computerized Physician Order Entry) helps ensure all orders are digital rather than deciphering physician handwriting and 2) dispensing of medications digitally with barcodes for internal checks and also ensure no conflicts with other medications or having errors with data entry. Brenda noted by Stage 3 we should be able to see how we improved our quality.

Brenda noted HFS reviewed the contracts from the two vendors and assisted with negotiations, which brought the pricing down significantly.

Line item pricing was not included in the slides because it is proprietary, so summary details were shared with the group during this meeting. Whichever vendor we choose, we will have additional costs of upgrading the OBTV product for the electronic obstetrics record, purchasing a digital medical system, and also purchasing user equipment and high-speed scanners. The major costs lie with the software. Servers will need to be installed on-site with both models. Both systems are Internet-based. When we obtain fiberoptic Internet connection in 2013 we will be able to have redundancy. The hardware costs do not include the costs of user pc's etc. We budgeted \$47,000 for end user equipment for this project, and the remainder of the cost is captured within the capital budget because we don't see these costs as reimbursable under Meaningful Use and we are being conservative. There is a little bit of an escalated cost if we select CPSI.

A new hospital information system will create a lot of increased accountability. We can pick and choose to interface best of breed software rather than having to purchase what the vendor sells for future additions.

We negotiated at length with the vendors and had them given us presentations on their financials. Prognosis is very strong financially and has been around a long time. We negotiated into the contract that if the company is acquired and we choose not to move to the new company, all of our fees get returned to us. The group did enough homework to feel comfortable it is a safe venture. John Kimmel remarked he reviewed it too and thinks they look very viable.

The software in these packages is to help facilities get to best practices. We will need super-users on the system. Both vendors have web products with training for our end-users.

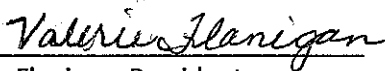
A unanimous decision was made by the EMR committee to recommend Prognosis as the vendor of choice. After tonight we can sign a contract and move forward.

Mark Satterfield motioned we select Prognosis as our vendor of choice and move forward with purchase of their system. Kathy Price seconded the motion; motion carried.

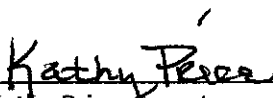
Valerie Flanigan expressed gratitude for the hard work of the EMR committee.

IV. Adjournment

There being no further business to be discussed, the meeting was adjourned at 4:42 p.m.



Valerie Flanigan, President
Board of Directors



Kathy Price, Secretary
Board of Directors