



health sciences & services authority of spokane county

**HSSA BOARD OF DIRECTORS  
Minutes of the February 2, 2011 Meeting  
665 N. Riverpoint Boulevard, Spokane, WA**

**Members Present:**

Nancy Isserlis, Board Chair; Earl F. “Marty” Martin, Board Vice Chair; Jeff Collins, Kelsey Gray, Kevin Oldenburg, and Mike Wilson.

**Members Absent:**

Patricia Butterfield and Jason Thackston. Counsel James Emacio was also absent.

**Staff Present:**

Susan Ashe, Acting Executive Director.

**Providing Financial Counsel:**

Gaylene Lewin, Total Business Concepts

**Guests:**

Amy Johnson and Christi D’Agostino, Institute for Systems Medicine; Stephen Warren, Gonzaga University.

**Call to Order**

Nancy Isserlis welcomed everyone and called the meeting to order at approximately 3 p.m. A quorum was established.

**1) Approval of Minutes**

Marty Martin moved to approve the minutes of the January 5, 2011 Board meeting, and Kelsey Gray seconded the motion. The motion unanimously passed.

**2) Board Actions**

There were no Board Actions other than the aforementioned approval of minutes.

**3) Chair’s Report**

**A) Authorization to Pay Warrants**

The Chair informed the Board that she signed Warrant Nos. 1116 through 1121 amounting to \$42,349.38. She and Vice Chair Marty Martin also signed the Warrant Certification to Spokane County, and they both signed Warrant No. 1120 to ISM.

B) Olympia Trip

The Chair discussed her and the Executive Director's trip to Olympia and said they spent a grueling full day of meetings with our area legislators. They discussed the HSSA and a bill that has been submitted to the House (HB 1425), in which the HEC Board has asked to be relieved of its responsibility to prepare and file a biennial report to the legislature about the HSSA. We believe that this is just simply the HEC Board trying to trim its own sails. We met with both John Lederer of the HEC Board and Chris Thompson, lobbyist. We listened to the testimony offered up by the HEC Board lobbyist, there wasn't any controversy associated with it and no one there testified in favor of it or opposed it. The only question we received was about whether someone else should report to the legislature if the HEC Board was not going to do it. Actually, most legislators thought it was a good idea to not require this report. The Life Sciences Discovery Fund is significantly larger than us and they have no requirement to report to the legislature. Susan and I also intended the GSI Grand Reception at the Governor's Mansion, lovely event, and good to see such a large representation from Spokane, but her observation was that it was a difficult time in Olympia – there's a real heaviness there.

C) Other

We will meet at our regularly scheduled March 2<sup>nd</sup> Board meeting, but not meet in April. Given Spring Break and other matters, I don't plan to hold a meeting in April if everyone agrees, so please mark your calendars.

4) Acting Executive Director's Report

There is a parallel bill in the Senate (SB 5484) and from what we heard from legislators or staff, it is likely to pass out of both houses because it's non-controversial and has a negative fiscal impact (savings), so it will probably continue to move. Our interest is to ensure that we monitor it to be sure it's not amended through the process. In addition, I was fortunate to attend some other GSI events, along with Amy Johnson (in the audience from ISM) and Board Member Kelsey Gray, while we were there, and connect with many of our legislators and continue the discussion about HSSA. I did sit in a Senate Economic Development Committee meeting in which Kim Zentz of Sirti was presenting, and found it very interesting as there had been legislation introduced that would combine Sirti, the Washington Technology Center and the Clean Energy Leadership program, as part of the budget constraints driving this issue, into something called Innovate Washington. There are a couple bills going through the process which we will keep our eye on. There is also another bill introduced that dismantles the Higher Education Coordinating Board.

5) Board Committee Reports

A) Finance Committee

On behalf of Jason Thackston, Finance Committee Chair, who was unable to attend, Gaylene Lewin presented the Committees report. She referred members to the finance reports included in member packets and made the following comments:

- The County reports that \$118,605 is the December allocation to HSSA from county-wide sales and use tax, 8.8% less than budgeted. However the increase in Allocated Earnings from our fund bond money has made up the difference and brought HSSA within .7% of the overall budgeted income for December.

- For the year ended December 31, 2010 HSSA collected \$1,435,420 in sales tax revenue; \$42,689 under budget. The increase in Allocated Earnings from the Spokane County Fund from the Bond Funds of \$48,285 brought HSSA within \$5,600 of the total income projected for 2010. (refer to the Profit Loss Budget vs. Actual Report)
- The County also reports the HSSA ending balance of the Allocation Fund as of December 31, 2010 is \$2,238,797.
- Total balance of all cash accounts is \$13,264,949.
- Administrative costs through December are \$112,845 or approximately 7.53% of the HSSA total revenue to date.
- There is nothing out of the ordinary to report, although at the end of December, the Higher Education Coordinating Board reported in its December HSSA report to the legislature, that Spokane County retail sales were down 8.3% for the first half of 2009 compared to the first half of 2008.
- A revised 2011 budget is included and HSSA is in good financial shape.
- A revised HSSA Bond Debt report shows HSSA will be able to meet its debt obligation without transferring money from the Reserve Account (or the General Allocation Fund). Chair Isserlis summarized that we will not have to access the \$500,000 County mandatory set aside fund, and we will have sufficient cash flow to service our bond debt without accessing any other source of funds.

#### **B) Grant Subcommittee**

Mike Wilson, Grant Committee Chair, made the following report.

##### a. Project Access Final Report

Chair Wilson introduced Keith Baldwin, the Executive Director of the Spokane County Medical Society, and the new Executive Director of Project Access, Lee Taylor. Project Access just concluded a one-year \$225,000 grant from HSSA. There is a summary of Project Access accomplishments for calendar year 2010 in your packets. Project Access has had a transition of leadership and hired Lee Taylor whom Keith Baldwin introduced; good leadership in place. Project Access is housed within the Spokane County Medical Society Foundation. This is the only program of all Spokane that has a volunteer network of physicians and hospitals providing a full range of health care at no charge to low income uninsured residents of Spokane County. This is why Project Access is unique.

The key is that it is organized. More than three-quarters of uninsured in our County are employed. Over last two years, we've had a 4.7% increase in uninsured, or 22,000 additional people, just in our County uninsured. If you look at the whole County – 470,000-490,000 – 17.5% of the population uninsured low income is 82,000. So, Project Access serves a significant population. All safety networks in community are seeing increases in uninsured they serve. The state budget will have a huge impact, again, on this population. We will have more families in crisis. Lots of chaos in their lives: trying to work, sometimes more than one job, then they have these medical crises with which they have to deal.

Since it began in 2003 through December 2010, PA has provided nearly \$30 million in service and over \$422,000 in prescription medications to patients. The return on the

investment to the community exceeds \$8.57 in medical care for each program dollar invested.

In the future, we need to expand our collaboration with all safety net providers. We need to expand the number and capacity of physician volunteers to increase access; step up our collaboration with other safety net providers; ensure long-term sustainability of PA, and develop additional measures of results to report to the community. This program allows people to stay productive and stay in the workforce. PA thanked HSSA for the year's grant that we have had, and said it would also like to discuss what we do in the future. Long-term financial sustainability is a significant issue for PA, and it would like to have more discussions with HSSA about a continued partnership.

Mike Wilson said that the value to the community in terms of the economy is probably significantly understated, and thanks Project Access for its work.

b. Spokane Collaborative Medical Research Strategic Planning Process

We held a follow-up meeting with HSSA's work with others to create a focal point for research in our community. Attending were Bryan Slinker, Dean of the WSU Vet School and Vice Provost, Health Sciences; Ken Roberts, WWAMI; Patricia Butterfield, Dean of the WSU School of Nursing and on our Board; Anthony Chiang and Brian Myers, Empire Health Foundation, Susan Ashe and myself. We met with Jim Gore who is arguably the most capable person in helping us move forward based on experience and to work us for the most expeditious and least expensive. The conclusion of the meeting was that Jim Gore would go back to the Seattle consultant with whom he works and revise the proposal downward in scope, both in time and cost. Some of our research shows that there has been substantial work in the community relative to ISM in its early formative days, and a couple other studies. I hope to set a Grants Committee meeting soon after this collaborative medical research group meets so that we can go over exactly what's being proposed and move this ahead. Mr. Wilson said that the consultant will review all existing materials related to research strategy in our community, seek targeted opportunities that may have been identified in the previous work that fit the missions of HSSA and EHF, and develop a matrix of priorities for consideration.

C) Counsel's Report – James Emacio

There was no report as Counsel was unable to attend the meeting.

D) Board Member Comments and Announcements

There were none.

E) Executive Session

There was no Executive Session.

Board Chair Isserlis adjourned the meeting at approximately 4:15 p.m. The next HSSA Board meeting will be March 2, 2011, 3 p.m. at Sirti, 665 N. Riverpoint Boulevard, Fourth Floor Board Meeting Room. The HSSA Board will not meet in April.