



health sciences & services authority of spokane county

**HSSA BOARD OF DIRECTORS
Minutes of the January 5, 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, Jason Thackston, and Mike Wilson.

Members Absent:

Patricia Butterfield.

Staff Present:

Susan Ashe, Acting Executive Director.

Providing Legal Counsel:

James Emacio, Spokane County.

Providing Financial Counsel:

Gaylene Lewin, Total Business Concepts

Guests:

Tony Bonanzino, Dr. Joseph Schappert, Kenn Daratha, PhD, Amy Johnson and Christi D’Agostino, Institute for Systems Medicine; Stephen Warren, Gonzaga University; Antony Chiang, Empire Health Foundation.

1) Call to Order

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

2) Approval of Minutes

Kevin Oldenburg moved to approve the minutes of the November 3, 2010 Board meeting, and Mike Wilson seconded the motion. The motion unanimously passed.

3) Board Actions

- A) Kelsey Gray moved to approve the revised Bond Loan Policy presented at the November Board meeting by James Emacio, counsel, and revised for action at the current meeting. The motion was seconded by Marty Martin. The motion unanimously passed.

- B) The Board Chair suggested a one-year term for officer and committee chair assignment, understanding that board members who hold those positions may volunteer to serve longer terms. There was among Board members.
- C) Marty Martin moved to approve the 2011 HSSA Budget and Kelsey Gray seconded the motion, which passed unanimously.
- D) Mike Wilson recommended that the Board approve a financial contribution of up to \$30,000 to the EHF/HSSA/Providence/WSI collaborative strategic planning process. The motion was seconded by Marty Martin. The motion passed by at vote of 6-1.
- E) Kelsey Gray moved to extend the Acting Executive Director's contract by six months and Jason Thackston seconded the motion. The Chair further noted that she would like the Board to be prepared to decide by July 1st whether it needs full-time or part-time staff.

4) Chair's Report

A) Authorization to Pay Warrants

The Chair informed the Board that she signed Warrant Nos. 1111 through 1115 amounting to \$58,7891.42. She and Marty Martin also signed the Warrant Certification to Spokane County, and they both signed Warrant No. 1113 to ISM and No. 1114 to Project Access, as the amount was beyond the Board Chair's signature authorization of no more than \$10,000.

B) Board Vacancy

Chair Isserlis informed the Board that Alethea McCann had resigned the HSSA Board citing personal reasons. The Chair noted for the record that Ms. McCann's service has been instrumental to the success of the HSSA to date, and that she was on the inaugural board as an appointee of the Spokane County Commissioners. She signed a certificate thanking Ms. McCann for her service and would be mailed to her. She said that Alethea's service to the HSSA will be missed. The Chair also asked Board members to contact Susan Ashe with any suggestions that they might have for potential appointees.

5) Acting Executive Director's Report

Ms. Ashe spoke briefly about the meetings that she and the Board Chair had with 10 elected officials and/or staff during December. She had earlier sent an electronic report to the Board for their review. She stated that all parties were very interested in HSSA and appeared to be pleased at HSSA's progress. She mentioned that she will accompany the Board Chair to Olympia in late January to touch base with legislators and staff, and to continue to monitor the Higher Education Coordinating Board's (HECB) agency request legislation. This proposal would allow the HECB to keep their main duty of overseeing the process that allows HSSA's like ours to be appointed in the state of Washington, but allows them to not make biennial reports to the legislature on HSSA's behalf.

Project Access will provide a final report on its use of its HSSA grant at the Board's February 2nd meeting.

6) **Board Committee Reports**

A) **Finance Committee**

Jason Thackston, Finance Committee Chair, referred to the finance reports each Board member had in his or her packet and made the following comments:

- The Committee has reviewed the financials as of November 30, 2010,
- HSSA has received \$1,316,815.47 to date from county-wide sales and use tax revenues.
- The County reports that HSSA's ending available cash balance as of November 2010 is \$12,485,640.70. [Sum of Accounts 661 and 670.]
- HSSA has committed \$1,080,000 in three Grant Competitions. At the end of November there was a \$522,553.92 grants payable balance.
- Administrative costs for January through November were \$111,889.59, or about 8.2%. There were no questions about the financial report through November.

He then presented HSSA's 2011 draft budget and debt service report (PowerPoint attached). He noted that on the Debt Service Report there would be a deficit in 2011 for our payment and answered questions.

Vice Chair Martin moved to approve the 2011 HSSA Budget and Kelsey Gray seconded the motion, which passed unanimously.

B) **Grant Subcommittee**

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

a. Spokane Collaborative Medical Research Strategic Planning Process

Mike, Patricia and Susan met three times since HSSA's last Board meeting with the folks involved in the collaborative medical research strategic planning process. They are Empire Health Foundation (EHF), HSSA, Providence and WWAMI. This is the small "working group" of funders. At the last meeting, three proposals were reviewed for conducting the strategic planning process. The three are Berk & Associates; Seattle, MIG, Portland, and Tripp Umbach, Pittsburgh, who has been involved in the four-year medical school discussions and the economics of it within the community.

We looked at these three, and also recognized that an individual, Jim Gore from Seattle, who is extremely well regarded and has a background in setting up research and funding, is someone the Working Group definitely wants involved as he has successfully led at least two research institutes in raising significant research funding. He will be contacted directly by EHF to determine whether he is available to work with us to a greater extent, or whether he would work with any of the three firms who submitted the proposals. The total cost for the engagement is likely to be between \$75,000 and \$100,000. At this point, EHF is funding the staffing and work to get us to this point, and we are being asked if we would contribute up to \$30,000 to this progress. It has acknowledged that our overall expense allocation is capped at 10% and that this \$30,000 would fall within that cap. We would not use any funding allocated specifically for research. He recommended to the Board that it allocate as much as \$30,000. It appears the remainder of that will come from the EHF, but they already indicated they would pay. We will meet every other Tuesday for the next six months. We would expect at our next meeting to make a decision on the consultant and then begin the interviews and aggregation of data necessary to complete the plan.

Mr. Emacio stated that he would prefer that Empire Health Foundation sign the contract with the consultant and exercises a separate MOU with HSSA and other funders so we know exactly how much we have to pay.

There followed considerable discussion among Board members about the collaborative medical research strategic planning process and whether or not it was necessary.

Board Chair Isserlis noted that she spent a vast majority of her time in December meeting with just about legislator that sees or touches the HSSA in any way. One of the things they were clearly the most interested in about all the things that we are doing, is that we intend to sit down and be very strategic about the way we intend to spend the dollars. That was good feedback that I heard and no one was being over-critical that we hadn't got all this money out in the community yet, but that we were intending to be thoughtful and strategic about it, so to the extent the people in Olympia care about this, I think that that's a good thing for us to know. She also

At the conclusion of the discussion, Mr. Wilson, on behalf of the Grant Committee, moved that the HSSA enter into an agreement with Empire Health Foundation where the HSSA agrees to pay up to \$30,000 toward the development by these consultants to participate in the Spokane Medical Collaborative Medical Research Strategic Plan process. Marty Martin seconded the motion and it passed on a 6-1 vote.

Mike Wilson, Patricia Butterfield and Susan Ashe will continue to represent HSSA during the strategic planning process. Mr. Wilson committed to providing the Board updates.

b. Institute for Systems Medicine First-Year (w/HSSA funding) Report

Mr. Wilson introduced presenters representing the Institute of Systems Medicine (ISM) to make a report at the conclusion of its first year (of two years) receiving its HSSA grant. He welcomed Tony Bonanzino, PhD, ISM CEO, Kenn Daratha, PhD, WSU and ISM Scientific Director, and Dr. Joseph Schappert, Chief Medical Officer, PAML, and Medical Director, Providence Health Care Systems, who presented ISM's report (attached).

Dr. Bonanzino said that the ISM spent this first year of the HSSA-funded grant developing its internal infrastructure. It has seven (7) staff/contracted employees and four (4) advisory boards: scientific, data privilege and monitoring, tissue repository, and a patient advocacy board. All board members are volunteers. He said that the ISM is quite hopeful that it will receive approval from the Spokane Institutional Review Board (IRB) in 2011, which is requiring ISM to engage in a regional communications campaign focused on research, health care delivery, and medical education. The IRB is mandating that ISM establish a communication and education campaign focused on research. He said that ISM is still in the start-up phase after one year, although accelerating into this year. He said that ISM has a relationship with Lee & Hayes to advise them on licensing and patent matters. He said that it has always been ISM's intent should it earn money in the future, to pay back HSSA's grant.

Dr. Schappert discussed the Bio-Specimen Repository (SPR) and said that most tissues collected by repositories around the U.S. and Europe are essentially useless as they were not properly collected and stored. There is a whole new generation of new technologies becoming available for discovery purposes and for validation, that this presents ISM's SPR with a huge opportunity. The SBR's ability to properly collect and store tissue is leading edge.

Dr. Kenn Daratha reported on the current work of the Spokane Community Clinical Data Repository (SCCDR) approved by the IRB last August. ISM is currently extracting data on coronary revascularization (1994 – current) from Providence data. He said that once ISM receives IRB approval (IRB #1627), it will have even greater ability to collect data including by 1) Encounter, and 2) Clinical. The SCCDR is developing a list of data contributing organizations such as Providence, INHS, Kootenai Medical Center, Ferry County, Community Health Systems, WSU, GU and the Prescription Drug Assistance Foundation. He shared some information from a chronic kidney disease data analysis that provided information about 30-day mortality and acute care readmission rates following coronary interventions.

C) Counsel's Report – James Emacio

There was no report.

D) Board Member Comments and Announcements

There were none.

E) Executive Session

There was no Executive Session.

Board Vice Chair Marty Martin adjourned the meeting at approximately 5:00 p.m. The next HSSA Board meeting will be February 2, 2011, 3 p.m. at Sirti, 665 N. Riverpoint Boulevard, Fourth Floor Board Meeting Room.