



health sciences & services authority of spokane county

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

Members Present:

Nancy Isserlis, Board Chair; Earl F. “Marty” Martin, Board Vice Chair; and, Dr. Jeff Collins, Kevin Oldenburg, Jason Thackston, Dave Vachon and Mike Wilson.

Members Absent:

Kelsey Gray

Staff Present:

Susan Ashe, Acting Executive Director.

Counsel Present:

James Emacio

Guests:

Stephen Warren, Gonzaga University, Brian Myers, Empire Health Foundation, Ken Roberts, WSU, and Daniel Smith.

1) Call to Order

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

Approval of Minutes

Mike Wilson moved to approve the minutes of the September 7, 2011 Board meeting, and Kevin Oldenburg seconded the motion, which passed unanimously.

Board Actions

- A.** Kevin Oldenburg moved and Marty Martin seconded the motion to accept the three RFPs recommended by the Grants Committee and begin the open grants competitions for proposals. The motion passed unanimously.

2) Chair's Report

A) Authorization to Pay Warrants

Chair Isserlis informed the Board that she would sign Warrant Nos. 1174 through 1179 amounting to \$44,889.56. Our Vice Chair will sign the two warrants that require two signatures because the amount is over my signing authority.

3) Executive Director's Report

Ms. Ashe reported that she was asked last Thursday to join Antony Chiang, EHF, to provide an update to the GSI/WSU Academic Health Sciences Steering Committee, which we did. Mike Wilson is a member of the Steering Committee.

Empire Health Foundation's Board has approved the Strategic Implementation Plan, with a couple of changes, and they are asking for acknowledgement from the HSSA Board. They want included in our information that the initial financial commitment of \$850,000 through 2015 has been made by their Board. With your consensus acknowledgement, and recognition that this financial commitment was made. The Board acknowledged the language in the SIP approved by Empire Health Foundation's Board of Directors.

In the area of public policy, she said that she had provided Greater Spokane Incorporated, which is developing its federal legislative agenda, with information about federal issues of interest to the HSSA for possible inclusion in GSI's annual federal agenda. The three issues I raised were:

- Maintain or increase research/technology funding at NIH and other federal agencies and departments with research funding capability.
- Support patent reform.
- Support SBA's Small Business Innovation Research (SBIR) Reauthorization, now extended through 11/18/11. We should encourage an 8-year reauthorization.

4) Board Committee Reports

A) **Finance Committee** –Jason Thackston, Chair, reported for the Finance Committee Nothing has changed from last month in terms of the condition of the HSSA, which tends to be in good financial shape. You have the monthly financial reports in your packet and I'll just focus on the one page Finance Committee report. In September we received \$126,729 from county-wide state sales and use tax revenues and another \$11,590 in interest from the county investment pool. Year-to-date those two components have totaled about \$1.2 million, which is about \$40,000 above budget so we are continuing to track just a little above what we budgeted. Our cash balance at the end of September was \$13,761,410. Of that, \$12.7 million is restricted to bond debt and \$304,154 reserved for current grants payable. Our administrative costs are in line with policy at about 9.4% this month. I mentioned a few months ago that our insurance costs would be higher than we budgeted; that's a factor of or assets going up relative to our bond proceeds. We continue to collect sufficient reserves for our bond debt principle and interest payment.

B) **Grants Committee** – Mike Wilson, Chair, reported for the Grants Committee Mike Wilson thanked the Grants Committee, and Marty Martin, an ad hoc member of the committee, for the work that had been done in putting forward the work of the Grants Committee over the past month. We have three RFPs that are entitled Open Grant Competition #5, Open Grant Competition #6 and Open Grant Competition #7. The three grant competitions are consistent with the recommendations this Board made at a prior meeting as a result of the Strategic Investment Plan that was conducted jointly between HSSA and the Empire Health Foundation. These three RFPs are specifically worded to reflect the wording within the report that was generated.

I will draw your attention to RFP #5. This is an open grant award that will be available twice annually. The first proposal is due Dec. 5th. It's my understanding that we will comment on opening these grants later this week giving adequate time for people to apply for these grants, The second date is May 5, 2012, and each year thereafter on those two dates. The HSSA will award up to \$4.5 million from this date until 2022, with individual project budgets that may total up to \$500,000 each for two years. These are matching grants and you can read through; the key to this particular RFP is under Paragraph 4, Page 2 to attract and retain academic research scientists; stimulate innovative collaboration with surrounding businesses; spur job creation, and spur additional investment from other public and private sectors. This particular RFP is focused around health science researchers and attempts to promote the acquisition of research through those researchers.

RFP #6 is a grant that the initial proposals are due Feb. 5th, and the second proposals August 5, 2012, and each year thereafter on those two dates. HSSA will award up to \$4.5 million during the period 2012-2022. Individual project budgets may total up to \$500,000 over the course of the grant period. Turn again to Paragraph 4, this is to facilitate commercialization of research and technology; create jobs, and attract and retain companies. In each instances there's considerable boiler plate within here that reflect common characteristics of each of these.

RFP #7 is an open award competition over a period of three years or until renewed, and there are no specific dates, so as soon as applications come in we will review them as they come in. The HSSA will award up to \$1,000,000 from 2011 through 2014 in response to this RFP. Individual project budgets may total up to \$100,000 per year for up to three years. This is for innovative research that advances Spokane as a national leader in health delivery research, facilitating translational/implementation research; decrease cost of healthcare delivery, and increase quality of healthcare in the region.

These three have been worked on diligently by the committee and presented to you for your comment and hopefully approval today. Just as a comment, I inquired of Susan when these will go out, and Susan why don't you brief the Board on when each of these RFPs will be advertised to the public and how they will be advertised.

Ms. Ashe said that we would like to get these out in the morning but no later than Friday by noon, if possible. They will obviously go out as a news release accompanied by the three RFPs to the mainstream media, to on-line media through PR Newswire, and directly to Xconomy Seattle – I talked with Luke Timmerman so he is expecting it – PND Digest, etc. Industry kinds of magazines like InHealth, Catalyst; social media, university communication contacts, business/community leaders, communicators at the City, County, hospitals, GSI so that they can also communicate to their respective members and audiences. If the Board chair is willing, we could probably conduct some radio and TV talk shows, again, if she’s interested. Mike Wilson did raise the issue of a print ad announcing the RFPs. I was trying to do this all through earned media, but it’s really the Board’s pleasure whether or not we spend some money on a print ad. I think it will be received fairly well and print ads are somewhat expensive.

Mr. Oldenburg asked a question about having the GSI attend the next Board meeting and discuss RFP #6 and how we might make that successful. Ms. Ashe said that all reference to any outside organization being involved was deleted from the RFP. The Grants Committee will be having more conversation about process.

Kevin Oldenburg moved that the HSSA Board approve the three RFPs as currently written, and Marty Martin seconded the motion, which passed unanimously.

Mr. Wilson continued the Grants Committee report. The Grants Committee met with some representatives of the Institute for Systems Medicine regarding their request to continue their grant. After having reviewed the preliminary information and the subsequent follow-up information, the committee determined that based upon the extent of the prior grant and some lack of clarity in this proposal as it pertains to requirements of HSSA, we concluded that we would not recommend for funding to the Board on ISM’s proposal.

There were some progress reports (from grantees) that were provided to the Committee, the initial results are promising. We have committed \$1,267,400 to date in grants of \$675,000 to ISM research infrastructure (this is the grant we did not recommend we continue to fund) and \$592,400 to organizations that increase access to healthcare for the under and uninsured.

Project Access received \$225,000 and for every \$1 of HSSA grant money achieved a \$12 return on donated medical care, or about \$6,315,710, plus another \$68,000 in dental care.

Payroll to date for all funded grants is approximately \$1,176,400 resulting in 38.5 full-time positions and 13 contract employees.

We’ve leveraged additional funding of at least \$565,550, and perhaps most important, 3,869 County residents received health care they otherwise would not have received. And we are very excited to take the work that has been done by the Grants Committee and the Board and fund the next three research grants. That’s the end of the Grants Committee report.

5) **Counsel's Report – James Emacio**

There was no report by counsel.

6) **Board Member Comments and Announcements**

There were no board member comments or announcements.

7) **Executive Session**

There was no Executive Session.

Board Chair Isserlis adjourned the meeting at approximately 4:15 p.m.

There will not be a Board meeting in December. The next **HSSA Board meeting** will be January 4, 2012, 3 p.m. at Sirti, 665 N. Riverpoint Boulevard, 4th Floor Board Meeting Room.