

**Life Sciences Discovery Fund Authority**  
**Public Board Meeting Minutes**  
**Tuesday, March 17, 2009 10:00am-2:30pm**  
**General Administration Building, 3<sup>rd</sup> floor, Olympia WA**

**Trustees Present:** Lura Powell, Jim Cook, Sen Chris Marr, Tony Hey, Bruce Montgomery, Rep Skip Priest, Sen Jerome Delvin, and Cheryl Scott

**Trustees Absent:** Gov Gary Locke, Rita Colwell, Rep Jeff Morris

**Others Attending:** Lee Huntsman, John Des Rosier, Mark Hertle, Alden Jones, Cathy Manner, Pamela Anderson (AG), Bill Grinstein, Aaron Schuler, and guest speakers Jeff Thompson, Christina Hulet and Steve Hill

**MINUTES**

**PUBLIC SESSION**

**Welcome and Updates** – Lura Powell, board chair, welcomed the group. Minutes from the January 6, 2009 meeting were approved.

- **Trustee Terms** (Powell) – Best wishes were extended to trustee Locke in the midst of his confirmation proceedings as the designated U.S. Secretary of Commerce. Powell noted that Scott and Cook are willing to serve another four-year term (expiring 10/01/2013) if reappointed by the Governor. Priest and Morris (whose terms expire in June 2009) are also willing to continue to serve if reappointed by the legislature.
- **Competitions Update** (Des Rosier) – To date: 07-01 second progress reports are in and first-year budgets are under-spent; 07-02 first progress reports are in; 08-01 grant agreements are active with five of six awards; and 08-02 grant agreements are in progress. As it relates to 2009 competitions: 09-01 attracted 80 letters of intent from 17 organizations (five new) with full proposals due on April 15; 09-02 received 29 letters of intent from 10 organizations (one new) with proposals due May 27; and 09-03 received 23 pre-proposals from eight organizations (one new) which were reviewed by a commercial review panel on March 11, with full proposals due on April 22.
- **Semi Annual Progress Reports by Competition** (Hertle, Manner) - Program staff updated the board on progress-to-date for the following grants:

**07-01 Second Annual Semi-Annual Progress Report**

**Breast Cancer Metastasis and Treatment Efficacy (UW; Daniel Chiu, PI)**

- On schedule. New company, provisional patent, sensitivity validated.

**Surgical Care and Outcomes Assessment Program (UW; David Flum, PI)**

- 30 new hospitals (one year early, 48 total). Public data reporting, real-time data analysis, pediatric and vascular SCOAP, OR checklist, re-visiting ‘challenge grants.’

**Diabetes Evaluation in Washington (PNDRI; Bill Hagopian, PI)**

- On schedule with exception of NBS inclusion application. IRB full approval.

**Applying Health IT to Improve Medication Management (Qualis; Jeff Hummel, PI)**

- Technology intervention impractical. Otherwise on schedule; staff satisfaction increased, reconciliation time reduction inconclusive, three manuscripts.

**Rapid Fingerprinting of Cardiac Biomarkers (WSU; Neil Ivory, PI)**

- On schedule for cloning and chip fabrication, delayed final detection system hardware and isolation protocol. Postdoc issues.

**Intracranial and Intraventricular Hemorrhage with Ultrasound Enhanced Thrombolysis (Swedish Neuro; David Newell, PI)**

- Significantly delayed, one-year NCE. Progress report not submitted. Need new contact at EKOS. Recruitment (2 pts/8) very slow; outstanding results with one patient.

**07-02 First Annual Semi-Annual Progress Report**

**Fred Hutchinson/University of Washington Cancer Consortium Phase 1 Clinical Trials Program (FHCR; Mac Cheever, PI)**

- Essentially on schedule. Two trials underway (non-WA companies), hiring adjustments, 90-day trial startup, statewide promotion delayed.

**Institute for Genetic Medicine (UW; Gail Jarvik, PI)**

- On schedule. Leveraged multiple space commitments and ~\$2.6M, full IRB approval for biorepository, scientist recruitments.

**Early Learning and Brain Development: MEG Brain Imaging Center for Infants and Children (UW; Pat Kuhl, PI)**

- Essentially on schedule. MEG renovation architect, site, and vendor chosen. Faculty hire suspended. User cultivation initiated. Leveraged \$100K grant from Casey Family Program.

**Program for Autoimmune Disease Intervention (Benaroya Research Institute [BRI]; Gerald Nepom, PI)**

- Goal - Improve the clinical management of type 1 diabetes, lupus, and multiple sclerosis (MS) by developing new therapies and tools for treatment selection/response monitoring and prognosis prediction.
- Ahead of schedule; no major difficulties.
- Recruited an accomplished MS investigator for a BRI faculty position.
- Recruited MS and diabetes patients for clinical studies.
- Initiated proof-of-principle preclinical testing of new therapeutics.

**Next Generation Clinical Proteomics to Target Human Health Challenges (Battelle, Pacific Northwest Division; Richard Smith, PI)**

- Goal - Develop a new proteomics technology with initial application for identification of liver disease biomarkers and ultimate application for multiple conditions.
- Identified patient cohorts for liver disease biomarker discovery.
- Enhanced the sensitivity and sample throughput of the proteomics platform.

The board suggested staff implement a dashboard approach for future progress reports to include award amount and cumulative leverage in dollars; any resulting publications; any lessons learned, trends or observations; and on a yearly basis, document (in a written report) outcomes based on various criteria so trustees can digest pre-meeting.

- **Communications** (Needham) – 20 information sessions were held around the state to introduce the 2009 competitions. Copies of information session presentations were distributed as well as recent news media articles of note. The UW Bothell Innovation Partnership Zone (IPZ) has invited LSDF to participate in its next technology summit.
- **Finance** (Jones) – Composite financials as of February 28, 2009 were presented. No deviations from approved budget were noted.
- **Olympia Update** (Huntsman) – The House and Senate are dealing with unprecedented budget challenges this session and cuts are expected all-around, including LSDF. As such, LSDF and WBBA are working together to keep the former a legislative priority. Huntsman mentioned several bills affecting LSDF this session, but none advanced. He noted LSDF's track record and accomplishments are well regarded in Olympia and that the Governor remains a strong and committed supporter. Anderson reminded trustees about lobbying constraints and advocated for a cohesive advocacy/communications strategy. Board expressed an interest in meeting via teleconference for any pertinent updates.

**Programs (Des Rosier)**

**Opportunity Fund** – Potential new granting mechanisms outside of LSDF's current project, program and commercialization competitions were presented. These proposed grants would allow more flexibility in application submittal and offer more diversity in the applicant pool than existing initiatives. The "Opportunity Fund", an example of the former, could address time-limited opportunities such as: need for matching funds to leverage a larger award; recruitment/retention of an eminent scholar; unique opportunity to obtain a critical resource, e.g. a piece of equipment at a special price; or the "rescue" of a high-quality effort impacted by today's economy, etc. Examples of new funding mechanisms with more degrees of freedom are: expansion of eligibility for awards to early stage, for-profit entities; and exploratory "landscape" grants to assess what LSDF investments are most effective. Any new initiatives would be subject to the same criteria and LSDF mission-focus as existing grants. Trustees agreed further discussion in a subcommittee of the board would be helpful with recommended direction(s) presented at the May 19 meeting.

**Proposal Budgets and Institutional Matching Funds** – Trustees also agreed this topic would be best discussed initially in subcommittee. Scott, Hey, Powell and Cook volunteered to convene subcommittee and report back at May 19 meeting.

**Presentation by the Washington State Department of Health and Medical Agencies: “Opportunities to Improve Health Care for Washington”**

*Presenters:* Christina Hulet, Executive Health Care Policy Advisor, Washington State Governor's Office; Steve Hill, Administrator, Washington State Health Care Authority; and Jeff Thompson, MD, Director, Medicaid Program, Washington State Department of Social and Health Services.

*(to request a copy of the presentation slides, please contact Alden Jones, [alden@lsdfa.org](mailto:alden@lsdfa.org))*

The presenters covered an array of topics related to improving health care in Washington. They began by discussing the quality problems and variability in care that drive up health-care costs. They talked about “the Willie Sutton approach” to following cost trends as they relate to service categories, client populations, facilities, diagnostics, drugs, etc. They gave specific examples of quality of care and cost variations by procedure for various geographical areas. The ubiquity of quality defects, unnecessary procedures, excessive costs and risky health behaviors led them to ponder potential research opportunities in the area of high-risk pregnancy, medication administration and asthma. They also mentioned research as a way to help guide state policy to use good science and transparent costs to drive decisions; to increase public health spending on nutrition, obesity, smoking and exercise; and to increase transparency of practice patterns to affect pricing and payments to providers, reduce unwarranted variation. Trustee comments included: using caution in establishing a clear line of sight between problem and solution; often best treatment requires a “suite” of approaches. It was also noted that implementation can be challenging: the incentive to translate what we know into scalable practice is difficult.

**Revised Ethics and Conflict of Interest Policy** – This topic will be presented at a future board meeting.

*Respectfully submitted,*

*Lee L. Huntsman, Ph.D.*

*Executive Director*

*Life Sciences Discovery Fund Authority*