

**SHERIDAN MEMORIAL HOSPITAL  
BOARD OF TRUSTEES  
FEBRUARY MEETING MINUTES  
WEDNESDAY, FEBRUARY 23, 2011 3:00 P.M.**

**MEMBERS PRESENT:** Ron Mischke, Gene Davis, Dixie See, Gary Miller,  
and Harlan Rasmussen

**MEMBERS ABSENT:** Bill Huppert and Michael Strahan, M.D.

**Others Present:** Mike McCafferty and Brad Hanebrink, D.O.

**CALL MEETING TO ORDER**

Ron Mischke called the meeting to order at 3:00 p.m.

**APPROVAL OF AGENDA and MINUTES**

The minutes from the January Board Meeting, held on January 26, 2011 were reviewed. A motion was made by Harlan Rasmussen to approve the minutes as written. Gene Davis seconded the motion. Motion carried.

The minutes from the Special Board Meeting, held on February 10, 2011 were reviewed. A motion was made by Harlan Rasmussen to approve the February 10, 2011 meeting minutes. Dixie See seconded the motion. Motion carried.

There were no additions to the February 23, 2011 agenda.

**QUALITY COUNCIL REPORT**

In the absence of Dr. Strahan, Lajune Bacon, Quality Services Manager, presented the Quality Council Report for February 2011. Ms. Bacon reviewed the scorecards. First-year turnover in People reached the goal of 5%. Service revealed the HCAHPS overall score is at 70.91. The overall AVATAR running year total for 4<sup>th</sup> quarter is 91.2. The AVATAR Pediatric score showed marked improvement due to change in distribution of surveys. Pediatric staff was acknowledged for doing a good job in hand delivering patient surveys; previously when mailed out, one or two surveys were returned. Pediatric survey return rate is now up to 11 returns. Adult satisfaction surveys are not handed out due to HCAHPS requirements. Patient concerns categories were discussed. In the one-year reporting period (1/10-12/10) there has been a decrease in complaints overall. Ms. Bacon explained that based upon data, we are seeing a steady decrease in regards to patient concerns related to staff attitude. The goal for the next year is to focus on communication with patients. Ms. Bacon was asked to bring a graph with two-year's worth of Patient Concerns information to the March meeting. The process was explained as to how patient concerns are evaluated and placed based on what the concern was attributed to. Quality shows the CHF and Pneumonia Core Measures have been above goal since September, 2010. Two patient identifier issues were discussed. Ms. Bacon explained "Outpatient Core Measures," a new scorecard. For the 2010 fourth quarter, all reporting areas met the goal. Both the Emergency Department and Outpatient Surgical staff were

congratulated for the work done to meet these measures. Utilization Case Management numbers were reviewed for medical necessity requirements and average length of stay.

### **MEDICAL STAFF REPORT**

Dr. Hanebrink stated that he would bring recommended Medical Staff Bylaws revisions to the Board for consideration at the March meeting. Board Members were invited to attend the Quarterly Medical Staff Meeting on March 8, 2011 at 6 p.m. Dr. Hanebrink discussed several proposed healthcare bills and noted that medical staff have been interested and watching actions during the 2011 legislative session.

Dr. Hanebrink presented the following practitioner, Jacob Lieb, M.D., who is being recommended to the Board of Trustees to move from Provisional to Active Senior Staff membership with Emergency Medicine privileges at Sheridan Memorial Hospital. Dr. Hanebrink explained that The Department of Emergency and the Medical Executive Committee have reviewed the performance and credentials of Dr. Lieb, a current Provisional Active Staff member, and recommends that the Board of Trustees confer Senior Staff membership with Emergency Medicine privileges. Dr. Hanebrink asked for a recommendation. After discussion, Harlan Rasmussen made a motion to promote Dr. Lieb from Provisional to Active staff membership. Gene Davis seconded the motion. Motion carried.

### **ADMINISTRATION REPORT**

Home Care & Hospice of the Big Horns Report: Lee Ingalls, Home Care & Hospice Manager, presented the 2009-2010 Annual Home Care & Hospice of The Big Horns report. Mr. Ingalls explained that it is a Medicare requirement to present the information yearly to the Board of Trustees. There have been several changes with healthcare rules and regulations that have placed new and additional demands on physicians this year. Therefore, Mr. Ingalls explained, physician education is being provided so that necessary forms are completed before care begins to meet all necessary requirements. During the reporting period, Home Care had 114 unduplicated admissions. Home Care services, payor mix and satisfaction survey results were explained. There were 4,005 nursing visits during the 7/2009-6/2010 period and 78% were Medicaid. Mr. Ingalls explained that care of Medicare patients is short-term care. Care of Medicaid patients is State funded for a longer term of care as a means to help provide care at home rather than in a nursing home. The legislature has proposed cuts for State of Wyoming in the Medicaid funded program. Mr. Ingalls explained that we will watch to see how it will affect the program and strategies to pursue. Discussion was held on Speech Therapy services, Mr. Rasmussen asked Mr. Ingalls to research to see if there was an opportunity to coordinate and work with The Scottish Rite clinic for some of these services.

Mr. Ingalls reported that a total of 26 families were served by the Hospice of the Big Horns this last fiscal year. Changes in CMS guidelines have been incorporated for publicly reported outcomes. Quality initiatives include patient care, financial and service goals, which are reported quarterly to the Quality Committee. The team of providers includes a Hospice Chaplain, providers and therapists. Hospice also provides bereavement follow-up services to family members. Michael Strahan, M.D. is the Medical Director for Hospice of the Big Horns. The Medical Director for Home Care services is Dr. Ian Hunter. The Medical Directors help to oversee the patient plan of care and improvement

projects. Mr. Rasmussen made a motion to acknowledge the receipt of and accept the 2009-2010 Home Care and Hospice of the Big Horns annual reports. Gary Miller seconded the motion. Motion carried. Mr. Ingalls was thanked for his report.

Welch Cancer Center Update: Mr. McCafferty introduced Jennifer Pfister, the Welch Cancer Center Manager, to the Board Members. Rob Forister, Facilities Manager, and Ms. Pfister were asked to provide an update on the process for the expansion of the facility. Mr. Forister explained that the design team of KWN Construction and CTA Architects began the process of developing a design to meet the space requirement needs for the program. Several meetings have been held with staff to secure input of stake holders and employees to forecast the future needs of the Welch Cancer Center. After several conversations and many revisions of the project, Ms. Pfister reported that staff is very happy with the current floor plan design for both Radiation and Medical Oncology. Our agreement is with KWN Construction and CTA (who works for KWN) to design the building to use the existing vaults. Interviews with patients have also been conducted and the general response is that more space is needed with additional parking and a larger waiting room. Patients like the scenery that the current building provides, but the space is not adequate and it currently is not a workable building. Ms. Pfister noted that the patients have been very supportive; they like the proposed floor plans and are very excited about the aspects of the design. Mr. Forister explained the time line process and different versions that started in 2009. Medical Oncology has been provided in the Welch Cancer Center building for the last four (4) years. Recent site visits; to other cancer centers; have been conducted. It is interesting to see how the space, in the new plan, will allow us to provide comprehensive care to include many privacy and treatment opportunities for patients and with the involvement of family members.

Mr. McCafferty recommended \$8.23 million to the Board as an estimation of probable costs in order to move forward with the Welch Cancer Center expansion project. The GMP is expected to be presented within the next couple of months. Different scenarios, based on other cancer centers buildings in Billings and Havre, MT, were presented as the basis of their estimated cost to help us with our establishment costs. The size of the facility is estimated at a net of 15,100 square-feet at \$250 per square foot. The cost of the expansion does not include new vaults as we will continue to use our current vaults for the linear accelerator and CT scanner currently in the building. The projected \$70,000 cost for demolition does not add to square footage costs.

New construction costs are projected at \$3.783M. Pre-construction is projected at \$561,000; total construction phase is projected at \$4.4M. Owner incurred cost for other aspects including furniture, equipment, etc. is projected for \$3.3M. The total projected costs of \$8.23M. An additional 10% contingency in the probable cost of construction and owner incurred expenses are estimated to be; \$767,132. Therefore, Mr. McCafferty asked for authorization of the \$8,232,523 for the project without the contingency; in order to move forward with the project. When the GMP is received it will be brought back to the Board with any adjustments once the price is confirmed. Mr. McCafferty explained that even though we don't have the GMP, the approval to the recommendation would allow the hospital to move forward with the project and to begin fundraising efforts. This sends the message that we are committed to this project and are moving forward without the GMP. Once authorization is made, the Sheridan Memorial Hospital Foundation will begin fundraising efforts for 50 percent of the project costs. Purchase of a new Linear Accelerator, prior to construction of project, was discussed as a possibility. Mr. Rasmussen made a motion to authorize proceeding with

the expansion of the Welch Cancer Center project for the estimated price of \$8.23M and stated that by approving the \$8.23M, we are not approving a formal contract at this time, but providing authorization to proceed with the project. Ms. See seconded the motion. Motion carried. Once the GMP is received and if approved, Mr. Forister noted that the groundbreaking date would be May, 2011, with a tentative completion date of August, 2012.

Electronic Medical Record Update: Mr. McCafferty asked Nyle Morgan to provide an update on the Electronic Medical Record (EMR) process. Mr. Morgan, Chief Information Officer, explained that after many meetings, site visits, and discussions we continue to research and look at different aspects to find a product that will meet the needs of the Emergency Department, Anesthesia and patient billing. Mr. Morgan stated that he continues to review the Cerner contract terms/conditions and the legal scope of the project, including software pieces and pricing. The contract structure allows us to move forward with the contract while having the opportunity to add optional pieces to meet the needs of the noted areas. Mr. Morgan felt we are on schedule to complete the review and make a recommendation within the next two weeks. Mr. McCafferty noted that if the information is compiled and ready prior to the March Board meeting, a special Board of Trustees meeting may be held to consider a recommendation.

Strategic Planning Update: Mr. McCafferty stated that he will present and give the Board Members an opportunity to review the proposed Strategic Plan document for July 2011-June 2015 at the March Board meeting. The strategic plan is an important document tool for developing the hospital's vision, mission statement, and goals leading the development of future growth opportunities for the hospital.

Hospitalist Program: Mr. McCafferty provided an update on the Hospitalist Program. The program will take the place of the current unassigned call program which has been in place for the past three years. It was explained that this current system has been functioning with internal medicine physicians who provide care to patients that present in the Emergency Department, without a physician in the community. These on-call physicians provided care during inpatient stay while in the hospital.

After several meetings with involved physicians, over the past six months, it is time to move the concept along. A modified Hospitalist Program has been developed. Mr. McCafferty announced that on April, 1, 2011, the Hospitalist Program will begin with Big Horn Mountain Medicine patients. A communication plan is being developed to assist physicians, staff and the public to understand the transition to a Hospitalist Program. This program will consist of local physicians; Drs. Strahan, Hunter, Sharp, Batty and Gilbert and locum tenens include physicians: Drs. Neuwirth, and Barnett. The current unassigned call program will therefore cease to exist. Mr. McCafferty explained that the Hospitalists will also be responsible for Emergency Department calls for admissions of unassigned patients and follow through care. Discussion continued and the following key points were made regarding the Hospitalist service:

- ✓ Work Week: On-call 24/7 three days (8 hour shifts)
- ✓ Weekend: On-call 24/7 four days per weekend
- ✓ ED On-call: 7am-10pm; after hours on-call only for ICU patients
- ✓ A secondary provider will be on-call if census is over 20 patients
- ✓ Physicians on-call, will have no clinic responsibilities and only serve hospital/ED patients

- ✓ Need five full-time physicians to complete Hospitalist Program due to rotation schedule
- ✓ Other physicians can admit and treat their patients in the hospital and within the year could begin to refer to the Hospitalists for coverage
- ✓ Will enhance patient care; patients see quality physicians, less physicians involved in inpatient care, physicians will have time to see patients in their office without having to leave to provide inpatient care
- ✓ Patient care consistency, decrease variation in procedures, availability to patient and family
- ✓ Desired package for future recruitment purposes

Financial implications were reviewed and Mr. McCafferty noted current expenses would be absorbed with an estimated additional cost of \$200,000 to implement the service. The hospital will do the billing for Hospitalist admissions and be secured as additional new revenue.

### **FINANCE COMMITTEE REPORT**

Mr. Rasmussen reported that the Finance Committee met and approved the vouchers and credit card statement for the month. Mr. Johlman presented the financial information and stated that January 2011 was a solid month. He noted that consolidated contractual allowances were favorable for the second consecutive month and contributed to a positive net operating income. Discussion was held on Accounts Receivable (AR), and how the ability to collect affects the bottom line and has been a significant factor. Accounts Receivable is at the lowest since June 2006, and is under 45 gross days. Mr. Rasmussen explained that this change is due to a substantial amount of team effort that involves accuracy in admission process, collecting supporting documentation, coding and billing process to collect revenue. On behalf of the Finance Committee, Mr. Rasmussen noted thanks to the staff involved and how very pleased they are with the huge effect this work has had on the hospital. Mr. Johlman stated that \$2.0M was transferred into the Capital Replacement Reserve Fund and these funds will be available over the next few years for additional new projects.

Mr. Rasmussen presented a capital equipment request. It was presented for informational purposes only. The request is from Nutritional Services for room service equipment. The item is an approved budgeted item for budget and total cost of \$18,847. The equipment will be utilized to implement the new "Room Service Program" for patient convenience and to enhance patient satisfaction. Mr. Rasmussen explained that the overall benefit will be to provide patient nutritional options as this will allow the patient to order off a menu, from the cafeteria, at their convenience providing improved patient outcomes.

### **FOUNDATION REPORT**

Ada Kirven, Foundation Director, introduced Tina Mediate, the new Foundation Coordinator. Other Foundation Board Members present were introduced and included: Kevin Bailey, President; and Shirl Yager. Board of Trustee liaisons to the SMH Foundation Board includes: Bill Huppert, Gene Davis and Mike McCafferty. Mrs. Kirven stated that the Foundation is looking forward to the capital campaign project for the Welch Cancer Center and was happy to hear the Board's recommendation to move forward. To date, Mrs. Kirven and staff have been involved with patient conversations and interviews. The apparent need for the expansion is compelling and Foundation Directors are 100% committed to the project. Mr. Rasmussen acknowledged the Board's sincere

appreciation for the Foundation's undertaking to raise funds for the hospital project in order to assure that excellent healthcare is continued to be provided in our community. Mr. Bailey, Foundation Board President, stated that the Foundation has done some ground work and is ready to begin the campaign. Mr. Bailey also announced that the Foundation annual benefit will be held on May 15, 2011, with all proceeds going towards the project.

Mrs. Kirven announced that the Sheridan Memorial Hospital Auxiliary celebrated its annual meeting on February 11, 2011. The Kozy Korner Gift Shop did an excellent job this year thanks to the combined efforts of Patty Forister, Volunteer Coordinator, and the great commitment from the many Auxiliary volunteers. As result of their efforts, two checks were presented to the Hospital Foundation from Auxiliary President, Sandy Pilch and member Barb Niner for a total gift of \$25,000. The annual Christmas Tress of Love project raised \$4,000 and an additional \$21,000 came from the Kozy Korner Gift Shop. The Auxiliary Board voted to purchase three rolling vital-sign monitors for the patient wing. The remaining funds will be designated for the Welch Cancer Center project. Ron Mischke stated the Auxiliary members noted their appreciation for the purchase of the new Point of Sales system implemented in the Kozy Korner in July, 2010. The new system also contributed toward the successful year.

### **BUILDING COMMITTEE REPORT**

Ms. See reported the SMH kitchen remodel is complete and will be open for full services on Monday, February 28, 2011. The mobile kitchen trailer will leave the hospital premises on Friday, March 25, 2011. Sandy Fuller and Nutritional Services staff was commended for doing a great job in providing meals to patients while cooking out of the trailer during extremely cold conditions.

### **EXECUTIVE SESSION**

The meeting moved into closed session at 4:15 p.m. for the discussion of personnel matters. The meeting then reconvened into public session at 4:25 p.m. Medical staff privileges were discussed, see the Medical Staff report section for motions made.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 4:30 p.m.

Recorder,  
Roxanne Araas

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Michael Strahan, M.D., Secretary