

BOARD OF TRUSTEES
JULY MEETING MINUTES
Wednesday, July 31, 2013 **12:00 P.M.**

MEMBERS PRESENT: Ron Mischke, Gary Miller, Kevin Bailey, David Smith, Dr. Strahan, Gene Davis, and Dixie See

MEMBERS ABSENT: None

Others Present: Mike McCafferty (via phone) and Dr. Cindy Sharp

CALL MEETING TO ORDER

Ron Mischke, Chairman called the meeting to order at 12:00 p.m.

PUBLIC COMMENTS, INTRODUCTIONS

Dr. David Nickerson and Dr. Luke Goddard were introduced to the Board. Dr. Nickerson is returning to Sheridan after receiving an MD degree at the University of Washington and residency in Emergency Medicine at the University of Arkansas. Dr. Luke Goddard, a native of Buffalo, Wyoming has also completed an MD degree from the University of Washington and residency in Emergency Medicine from the University of Arizona. He resides in Buffalo with his wife, Marsha, 3 year old son, and one on-the-way this month. The Board of Trustees welcomed the two new physicians to Sheridan and the Hospital. Both physicians expressed their excitement to begin practice and thanked the Board for this opportunity.

Tina Mediate, Foundation Coordinator recognized and thanked Mr. Gene Davis for all of his hard work on the Hospital's garden the past few months. He has worked very hard with all volunteers to complete the move of the garden from the Hospital's east campus to the Welch Cancer Center. A gift of appreciation was presented to Mr. Davis on behalf of the Foundation.

APPROVAL OF AGENDA and MINUTES

The agenda for the July Board of Trustees Meeting was available for review. Amendment was made to take off action by the Board Bylaws Committee regarding the Medical Staff Bylaws Recommendation. Motion was made by Kevin Bailey to approve the July Board agenda as amended. Gene Davis seconded the motion. Motion carried.

The minutes from the June Board Meeting, held on June 26, 2013 were reviewed. A motion was made by Dr. Strahan to approve the June Board meeting minutes. David Smith seconded the motion. Motion carried.

The minutes from the July Special Board Meeting, held on July 3, 2013 were reviewed. A motion was made by Dixie See to approve the July Special Board meeting minutes. Gary Miller seconded the motion. Motion carried.

OLD BUSINESS

None

QUALITY COMMITTEE REPORT

Dr. John Addlesperger reported from the prior Quality Committee meeting held this month. The Committee is working on revamping the structure of how quality will be reviewed. Until now, there is a lot of raw data brought to the Committee of which there are many processes associated with the collection and analysis of it all. Moving forward, Dr. Addlesperger hopes to rewrite the Quality Performance Improvement Plan to reflect how the data collected is tied directly to the quality we give to our patients. All the raw data needs to be factored down into a more usable packet and prioritize quality indicators in order to improve patient outcomes. The Committee and Board Members will be asked to participate, provide input, and make decisions related to process improvement hospital wide. Dr. Addlesperger also will work directly with the Cerner EMR to help streamline data retrieval and use the manager's knowledge of where data is mined to provide efficient ways of analysis through data dashboards. Dr. Addlesperger has composed a quality data committee to help manage where the data comes from, who owns it, and how it will be used in the analysis of Quality. In addition, Dr. Addlesperger will be drilling down on certain core measures compliance in order to monitor documentation by physicians and nursing staff.

MEDICAL STAFF REPORT

The Medical Staff report was given by Dr. Sharp. She presented requests for membership and clinical privileges of the following provider credentials files recommended by the Medical Staff for Board approval. Credentials files were discussed first in executive session before reconvening into public session for action.

Juli Ackerman, MD, Jason Ackerman, MD, and Hannah Hall, MD are requesting Active Staff membership with Internal Medicine privileges in the Department of Medicine at Sheridan Memorial Hospital. All three will be physicians at Big Horn Mountains Medicine, beginning late August, early September 2013. They will all be SMH employees joining the Big Horn Health Network and adding onto the Big Horn Mountain Medicine physicians: Drs. Hunter and Sharp, and additional providers Kim Gilbert, APRN, Melanie Martin, APRN, and Jason Otto, PAC. Jason, Julie, and Hannah will also be members of the SMH Hospitalist team.

After review of credentials file in the Executive Session, Kevin Bailey made a motion to approve the requested privileges of Dr. Juli Ackerman. David Smith seconded the motion. Motion carried.

After review of credentials file in the Executive Session, Dr. Strahan made a motion to approve the requested privileges of Dr. Jason Ackerman. Kevin Bailey seconded the motion. Motion carried.

After review of credentials file in the Executive Session, Gene Davis made a motion to approve the requested privileges of Dr. Hannah Hall. David Smith seconded the motion. Motion carried.

Lynette Gordy, ACNP is requesting Affiliated Health Care Professional affiliation in the Department of Medicine at Sheridan Memorial Hospital, specializing as an acute care nurse

practitioner (ACNP) under Drs. McGuire and Trostel of Billings Clinic Nephrology. Lynette plans to travel to Sheridan Dialysis unit in order to consult dialysis patients and make inpatient rounds as necessary. After review of credentials file in the Executive Session, David Smith made a motion to approve the requested privileges of Lynette Gordy. Dr. Strahan seconded the motion. Motion carried.

BOARD BYLAWS COMMITTEE REPORT

Mr. Mischke reported that the Board Bylaws Committee met and after review of recommendations from Hospital legal counsel, Mr. Tom Klepperich, the Committee has decided to table any action on the June 11, 2013 proposed revisions to the Medical Staff Bylaws, Rules, & Regulations. There are still a few items that the Committees need to address before moving forward. The Committee appreciates all the work that the Medical Staff has diligently done and only feels it necessary to ensure all issues are completely worked out before the final document is approved. Medical Staff and Hospital legal counsel will continue to work together to have an excellent product. Moving forward, the Medical Staff and Board Bylaws Committee will meet respectively with their legal counsel and present items to each other, and will further receive recommendation from the Medical Staff and Medical Executive Committee.

EMR REPORT

Mr. Nyle Morgan, Chief Information Officer, reported the current EMR projects. Cerner and Hospira companies are currently on-site assisting with the pharmacy product that allows viewing of IVs via barcodes. These devices allow the correct medications to be administered to the correct patients, with the correct doses, allowing safety and quality care. This is a big undertaking for the hospital to install the hardware and technology as well as train all of the staff to operate. The projected timeline for completion of installation is January/February 2014. IQ Health is an additional product that Cerner provides. It allows patients to view their own medical record via a secured online web portal. Many decisions have to be made behind the scenes before this product will be accessible. Certain hardware upgrades are also in process, such as the ePrescribe system and the transition to the ICD-10 coding system in order to be prepared for the 2014 deadline.

As announced at the last Board meeting, the Hospital has successfully attested to meaningful use criteria for stage one, year one for the period of March-May 2013. Since then, Mr. Morgan, reported the Hospital has received the \$1.1 million reimbursement check from the federal government (CMS) for completion of this stage's criteria. An additional amount of \$500,000 will be collected from the State for this accomplishment as well. This is the return amount the Hospital was expecting and is listed on the income statement, not as a charitable item and included in the FY2014. Mr. Morgan commented on this great achievement made by the staff in such a timely manner.

Both Drs. Nickerson and Goddard commented that they are transitioning to the Cerner system pretty well. There is a lot of potential for the system to improve processes.

ADMINISTRATION REPORT

Mr. McCafferty presented the following items:

New Safety Officer – The Hospital Board of Trustees annually appoints a Safety and Security Officer to carry out the following duties: ensure the hospital is in compliance with current Joint Commission, NFPA and OSHA standards and provisions for patient/employee safety and security; manage the departmental safety liaisons; coordinate activities with the infection control coordinator; provide the Safety Committee and Governing Board with periodic reports and findings; ensure that relevant activities are routed through the hospital's Risk Manager and guarantees that all potential issues of liability are reported and properly addressed with the Hospital's insurance carrier(s). Additionally, the Safety Officer has the authority to take corrective action as necessary in situations that pose an immediate threat to life, health, and/or property. The Safety Officer will immediately contact the Administrator or his/her designee to explain the situation. If the condition in any way affects the direct care of the patients, the attending physician(s) will be made aware of the situation.

Mr. McCafferty recognized James Rader as the new Safety Officer of Sheridan Memorial Hospital, for the term of July 22, 2013 to February 28, 2014. This delegation replaces former Safety Officer, Rob Forister who has recently left the position. Mr. McCafferty recommended the Board to designate Mr. Rader as the new 2013-2014 Safety and Security Officer, pursuant to the letter presented and signed by Mike McCafferty. Kevin Bailey motioned to approve the recommendation as presented. With no further discussion, Garry Miller seconded the motion. Motion carried.

Medical Office Space Planning Update – Mr. McCafferty asked Mrs. Lynn Custis, Clinic Director to give an update on the medical office space planning of the Big Horn Mountain Medicine (BHMM) practices. The space in the old Saunders and prior Free Clinic (1428 West 5th Street) building will make up a second location for BHMM. It will staff Dr. Juli Ackerman, Dr. Ian Hunter, Dr. Hannah Hall, Jason Otto, PA and Kimberlee Gilbert, APRN. The 1435 Burton BHMM practice will staff Dr. Cindy Sharp, Dr. David Walker, Dr. Jason Ackerman, and Melanie Martin, APRN. These locations will serve as a short term solution to the space needed for the Big Horn Mountain Medicine practice. The hope is that BHMM will eventually relocate into one location, but this expansion allows the new physicians to begin practice immediately. Mrs. Custis explained that the Hospital will advertise appropriately of the two locations in order to have ease of patient flow. Calls will be made to patients the day before to verify date, time and location of appointments. If patients happen to end up at the wrong location, Mrs. Custis said the providers will be flexible in moving from building to building so that the patients don't have to make extra trips.

New Physician Announcements – In addition to welcoming Drs. Luke Goddard and Nickerson, Mrs. Custis also presented a review of the following new physicians that will begin this fall at Sheridan Memorial Hospital. Dr. Rebecca Franklund will begin seeing patients the week of August 8, 2013 at Sheridan Women's Clinic; Dr. Juli and Jason Ackerman will begin seeing patients the week of August 19, 2013 in the Big Horn Mountain Medicine Internal Medicine practice. Dr. Hannah Hall will begin after Labor Day, the first week in September 2013 at Big Horn Mountain Medicine as well as Dr. David Walker, DO who will begin Internal Medicine and Hospitalist work in September 2013.

Urgent Care Planning Update – Mr. McCafferty asked Dr. John Addlesperger and Kelly Lieb to report an update on the construction process of the project. Planning, staffing and construction continues on the Urgent Care project at the Hospital. As noted in a recent memo distributed, due to HVAC (air flow valve) issues and construction delays, the project will be deferred beyond the estimated early August date. The memo noted, “we want to deliver this service at the highest possible quality and at the highest standards, therefore it would be better to delay opening until mid-September for 100% completion.” Kelly Lieb, PA added that staffing is going well and a service menu is being composed to lay out a transparent price list for the community to refer to. Mrs. Lieb is also working with marketing on signage, and additional administrative policies, and documentation within the EMR. Dr. Addlesperger recognized Kelly for all of her great work as well as her willingness to cover in the ED as physician assistant.

FINANCE COMMITTEE REPORT

Mr. Gene Davis, Committee Chair, reported the Finance Committee has met and acknowledged that the vouchers and Mr. McCafferty’s MasterCard had been reviewed and was sufficient. Mr. Davis complimented Mr. Johlman on his comprehensive reports throughout the past few months that have been difficult financially.

In addition to the information provided in the Board packet, Mr. Ed Johlman discussed the following information for the month of June 2013. June revenues were good for a month that is typically one of our slowest periods of the year for total patient volumes. Total expenses were over budget and as we have seen all year long, inpatient activity was down and outpatient was up. The result was a net loss. Chairman, Mr. Mischke noted that although we have had a tough few months financially we still maintain zero debt as a hospital.

FOUNDATION COMMITTEE REPORT

Mrs. Ada Kirven, Executive Director, updated the Board on the Foundation’s annual meeting which was held on Tuesday, July 30, 2013. A copy of the fiscal year 2012-13 annual report was provided for the Board to review. The report reviewed the many events and fundraisers held over the past year to include: the grand opening and ribbon cutting of the Welch Cancer Center (WCC) in November 2012 and recently the open house to host the Sheridan Committee Rotary organization that welcomed 40 members to the WCC. Also noted was the health garden move from the east hospital campus to the WCC, the Hospice Palliative Care Workshop held in April, and the opening of the Cardiac Cath Center with emphasis on the Husman foundation donation for the project. Financially, the Foundation has been able to contribute its highest dollar amount ever raised in one year with a total of \$6.7 million for the period July 1, 2012 – June 30, 2013. The impact of philanthropy at Sheridan Memorial Hospital is clearly amazing where the community continues to step up, noted Mrs. Kriven. A few of the highest gifts donated were for Cardiac Care (\$1.9 mil), Cancer Care (\$1.1), and Dialysis (\$3 mil). Overall, Mrs. Kirven feels they had a very successful year. In other work, the Foundation continues to work on details for the Women’s Golf tournament set for September 6-7, 2013 at the Powder Horn in conjunction with the Powder Horn Ladies Golf Association where proceeds of the benefit will go toward Cardiac Cath Center and Women’s Heart Health. The Link-Partners in Pink Breast Cancer awareness event is set for October as well as work at Evelyn Ebsery’s garden area at the Welch Cancer Center. Mrs. Kirven also noted that since the Board’s last meeting, a significant gift of \$105,000 was donated from Zulig Foundation for the

Urgent Care project of which she thanks Mr. Bob Berger for his work on as a partner of the donation.

Mrs. Kirven concluded by noting that the Foundation has raised over \$33 million total over its lifetime which shows the confidence of the community and team effort between the Foundation and Hospital to achieve success and huge changes. Mr. Johlman also noted that the total net investment of the hospital is approximately \$95 million, of which \$33 mil of that is from the Foundation.

BUILDING COMMITTEE REPORT

Mr. James Rader reported that the Building Committee continues to work on plans for the following three projects: expansion of the BHMM Clinic into the Saunders Building, the Urgent Care expansion, and the needed construction of the Sheridan Women's Clinic, as reported previously. Mr. Rader commended all the contractors for their work in juggling all jobs and predicts no concerns coming from the State Department of Health inspections. TSP continues to layout the ICU floor plan which will come to the building committee in the coming months.

OTHER BUSINESS

Officer and Committee Assignments- Gary Miller reported on behalf of the Board Nominating Committee. Gary Miller announced the committee recommendation for the Sheridan Memorial Hospital Board of Trustee Officers for FY2014 as follows:

- Chairman – Ron Mischke
- Vice-Chairman – Kevin Bailey
- Secretary - Dr. Strahan
- Treasurer – Gene Davis

David Smith made a motion to accept the recommended nominations. Dixie See seconded the motion. Motion carried unanimously for the slate of officers.

Mr. Mischke reported committee assignments for FY2014. Gene Davis made a motion to accept the recommended nominations. David Smith seconded the motion. Motion carried unanimously for the committee appointments as presented.

Salary Review of CEO Motion: Following discussion of the Board in executive session, Kevin Bailey made a motion for the Board to adopt the recommendation of the Salary Evaluation Committee in regards to Mr. Mike McCafferty's annual salary review as presented in the executive session. David Smith seconded motion. Motion carried unanimously.

EXECUTIVE SESSION

With no further business, the meeting moved into closed session at 12:58 p.m. for discussion of personnel matters. Medical staff privileges were discussed. Please see the Medical Staff report for action taken. The meeting then reconvened into public session at 1:40 p.m.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 1:50 p.m.

Recorder, Amy Ligoeki

Michael Strahan, M.D., Secretary