

BOARD OF TRUSTEES
JUNE MEETING MINUTES
Wednesday, June 27, 2012 3:00 P.M.

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

MEMBERS ABSENT: Dr. Strahan

Others Present: Mike McCafferty and Dr. Addlesperger

CALL MEETING TO ORDER

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

PUBLIC COMMENTS

None

APPROVAL OF AGENDA and MINUTES

The agenda for the June Board of Trustees was available for review. Motion was made by Kevin Bailey to approve the June Board agenda. Dixie See seconded the motion. Motion carried.

The minutes from the May Board Meeting, held on May 30, 2012 were reviewed. A motion was made by Dixie See to approve the May Board Minutes. Gene Davis seconded the motion. Motion carried.

OLD BUSINESS

Mr. Mischke, Board Chairman, requested feedback from the Board of Trustee members regarding the online governance education curriculum program, "Best on Board". Mr. Mischke has completed all six curriculum steps which take approximately four (4) hours per step to complete. A copy of the Definitive Agreement between WHA and Best on Board has been provided to the members for review. Mr. Mischke would like a consensus from the whole Board on whether the program should be adopted for all SMH Board members. Cost per Board member is \$450 and each member would be asked to complete the online curriculum requirements on their own time. Mr. McCafferty fully endorses the educational opportunity and feels our Board will benefit from the education to enhance the work within the organization. A motion was made by David Smith to approve the commitment of all Board members to complete Best on Board curriculum. Gene Davis seconded the motion. Motion carried.

QUALITY COMMITTEE REPORT

Mrs. Charlotte Mather, Chief Nursing Officer presented information from the previous Quality Council meeting held on June 21, 2012.

Four surveyors from The Joint Commission accreditation organization visited Sheridan Memorial Hospital on June 12, 2012 through June 14, 2012 to conduct a hospital-wide three-year accreditation survey. Mr. Rob Forister and Mrs. Nancy Hooge assisted the surveyors in their process. A final report summarizes the surveyors' findings. The hospital has an opportunity to ask for any clarifications on findings and/or challenge any of the findings within 10 business days of the final report. For all findings the hospital will need to submit a plan of correction within a time period. Mr. Mischke noted he had attended the exit interview from the prior State survey and commended all hospital staff for their efforts as they were well received by the surveyors. This positive feedback assures the Board good work is being done.

Mrs. Mather reported that the Surgical Services department presented at the prior Quality Council meeting. Items presented included the department's performance improvement plan and their focus on quality. Many projects the department is working on come from the feedback and recommendations from prior consultants and similar resources in order to improve their specific area.

Increased focus and intensity of Recovery Audit Contractor (RAC) audits have occurred where the auditors are now able to attain double the number of cases for review. Mrs. Mather explained the detailed RAC audit process specifically, the auditors look at how the patients are classified when admitted and the difference in coding reimbursement. The Quality team continues to stay on top of the auditing process and is working hard to move process along and for decision to be made on each case. To date, there have been very minimal cases where the hospital has been paid back.

Mrs. Mather reported that recruitment for a new Quality Department director continues where the hospital has now partnered with a search firm to research potential candidates. No serious candidates have been interviewed thus far.

In other business, Mrs. Mather noted there will be the 3rd Annual Northeast Wyoming Skin & Wound Symposium held on June 29, 2012 through June 30, 2012 at the Sheridan Wesleyan Church. Over 100 people have signed up as attendees to include nationally known speakers. The entire community is invited to attend.

Mr. Mike McCafferty summarized the purpose of the established Wyoming Business Coalition (WBC), a group of employers dedicated to educating and engaging the business community across the state on issues relating to healthcare financing, cost structure and quality. WBC has partnered with the Leap Frog Survey initiative which is defined as the gold standard for comparing hospitals' performance on the national standards of safety, quality, and efficiency that are most relevant to consumers and purchasers of care. Mr. McCafferty noted that Sheridan Memorial Hospital has participated in this Leap Frog Survey, which asks hospitals to self-report their status relative to four "leaps" in quality and safety programs. The Hospital's participation in this survey demonstrates a commitment to being transparent to the community and to quality improvement. Also, as a Leapfrog purchaser, the Hospital will share the survey responses with their employees and the community. The Leapfrog Group will share the responses from all hospitals with the public on its website. The Web display of hospitals' results is made available to aid consumers in their decisions about where to receive care.

MEDICAL STAFF REPORT

No report.

ELECTRONIC MEDICAL RECORD (EMR)

Nyle Morgan, Chief Information Officer, provided an update on the Cerner electronic medical record (EMR) progress.

- Mr. Morgan invited all members of the Board to visit the second round of integration testing that will begin the week of July 9, 2012, where 30 plus Cerner representatives and the Hospital team, to include physician champions, will take a second look at various patient flow scenarios to ensure the EMR system is running efficiently in all areas that the patients chart will flow.
- Mr. Morgan displayed a flowchart of all the existing interfaces, technical equipment behind the scenes, that branch off of the Cerner system. Examples include Fuji, PACS, Keane, Pyxis and Greenway systems that will be able to “talk” to Cerner during the patient flow process. At the time of go-live, all these interfaces move across each appropriate department and compile one medical record per patient.
- Mr. Morgan noted that staff training will begin the second and third week of July for the 300 plus ancillary, nurses, and physicians. Physician training will occur as close to the go-live date as possible. The build training environments will involve Cerner staff training employed super users that will then train their respective staff on the system.
- Mr. Morgan explained that the clinical aspect of the current Keane system will be eliminated mid-August. The finance side of Keane is separate than the clinical side and will stay in use at this time.

Mr. McCafferty thanked Mr. Morgan for his great leadership and work in this important project.

Mr. Morgan recognized Kirsi Ludwig, Sheridan Memorial Hospital Pharmacy Manager, as she was awarded the Wyoming Hospital System Pharmacist of the Year for 2012 at the Wyoming Pharmacy Association’s 95th annual meeting in Sheridan, WY this past weekend. In addition, Mrs. Ludwig was voted in as the President to the Wyoming Pharmacy Board of Directors for the upcoming year. Mrs. Ludwig serves as one of two delegates to the National Association of Pharmacy who represents Wyoming on policy and regulatory issues that affect practitioners and all who prescribe in the state.

ADMINISTRATION REPORT

Mr. McCafferty welcomed and introduced Jennifer Rasp-Vaughn, new Cath Lab Coordinator at Sheridan Memorial Hospital. Ms. Rasp-Vaughn has five (5) years of experience in Cath Lab work.

Mr. McCafferty reported on The Joint Commission Survey conducted at Sheridan Memorial Hospital, June 12-14, 2012. Joint Commission survey results have been received and asked Mr. Forister and Mrs. Hooge to explain The Joint Commission survey process and what follows the survey results. Mr. Forister explained the unannounced Joint Commission survey occurs 18 months following previous survey. There are four (4) total surveyors: one surveyor dedicated to life safety

standards; one physician surveyor and one nurse surveyor dedicated to hospital patient tracer survey; and one home care nurse surveyor dedicated to the home care and hospice facility. The surveyors use a tracer methodology that follows a patient through the hospital to ensure that the staff is following proper standard requirements in every area that the patient is seen. The surveyors take the opportunity to educate staff as they survey and make any recommendations they witness for improvement in care. Some of these recommendations were able to be taken care of on-the-spot as easy fixes. Mrs. Hooge noted that on a clinical aspect, many of the areas for improvement will automatically be fixed once the electronic medical record is implemented. The Joint Commission works closely with CMS in their requirements and have a focus of patient safety. The Home Care & Hospice facility is surveyed separate from the Hospital because they fall under a separate manual, with separate standards, and require a separate nurse surveyor. Once the final report was received, the hospital began working on a plan of correction for any standards that were determined by the surveyors as out-of-compliance. The plan of correction will include quality data that normally will be attained by auditing practices over a period of time to prove that continuous improvements have been made. These will be submitted to The Joint Commission within a designated time period for review and approval.

Mr. McCafferty noted that TSP engineers continue to work on the design plans for the new medical office building (MOB) to include specifics of parking, location, and costs. Mr. McCafferty anticipates presenting before the Board in July with a recommendation of how things will progress with the expected build.

Mr. McCafferty announced the final printed FY 2011-2015 Strategic Plan has been completed and will be printed in July to be distributed to the community. The plan will include a complete physician directory and give a high level perspective of the growth opportunities in place for the new Cath Lab, Medical Office Building, Welch Cancer Center, and Primary Care. The plan will also emphasize the importance of continued patient safety and kindness organizational wide and will serve as a good communication and marketing piece for the community.

Mr. McCafferty introduced the aspect of how the hospital has taken an increased role in providing primary care for the community as the healthcare model continues to change in this direction. As the need arises for more primary care providers, the hospital has successfully recruited four (4) additional internal medicine physicians to work as employees under the Big Horn Health Network and will begin within the next two (2) years. The hospital will continue to look at strategies to provide needed services in the areas of emergency care, outpatient medical care, and urgent care access as these may be options for patients to receive care at a lower cost than going to the emergency room. Quality is the most important aspect of this work. Once the medical office building is established, the Hospital will be able to focus on these options.

FINANCE COMMITTEE REPORT

Gene Davis reported the Finance Committee met and acknowledged that the vouchers and Mr. McCafferty's MasterCard had been reviewed and were sufficient.

May was the fourth busiest month the hospital has reported. Total revenues topped the \$9 million mark. Strong outpatient revenue, average overall write-offs (including bad debts) and above average expenses produced a small operating profit.

Gene Davis presented the proposed FY 2013 Operational Equipment Budget. Mr. Johlman explained the hospital is projecting the consistent annual rate increase of 3.5 percent. Mr. Davis acknowledged that an in-depth overview was provided to the Finance Committee members. Budget workshops were also provided for Board members to have the opportunities to review the proposed budget. The Finance Committee recommended the FY2013 Consolidated Operational Budget for approval. A motion was made by Gene Davis to approve the FY 2013 Operational Budget. Kevin Bailey seconded the motion. Motion carried.

The FY2013 Capital Equipment Budget included a list of items for a total of \$667,152. Mr. Davis acknowledged that an in-depth overview was provided to the Finance Committee members. Hospital management has worked vigorously with each line item to save costs within the allotted budget requested. The Finance Committee recommended the FY2013 Capital Equipment Budget for approval. Mr. Davis made a motion that the Capital Equipment Budget be adopted as proposed. Dixie See seconded the motion. Motion carried.

FOUNDATION REPORT

Ada Kirven, Foundation Executive Director, reported she had met with Ed Johlman, CFO and Susan Novak, Controller to discuss periodic distribution of the gifts and pledges for the Welch Cancer Project and decided on June 30 and December 31 annually through the remainder of the four year collection. The Foundation has accumulated approximately \$144,000 for the June 30 payment for the project. The Welch Cancer Center funds include memorial and honor gifts, as well as new cash and pledge payments over the last six months. Mrs. Kirven noted that she has met with the Jennifer Rasp-Vaughn, new Cath Lab coordinator as well Danae Brandjord, Len Gross, and Rob Forister to coordinate project marketing and funding plans. Mrs. Kirven reminded the group of the 3rd Annual Sheridan Memorial Hospital Foundation Golf Tournament scheduled for Friday, July 27, 2012, at the Powder Horn.

Mrs. Kirven recognized Mr. Kevin Bailey who completed his last Board meeting as Foundation Chairman on June 19. She thanked Mr. Bailey for his work and availability in all of the Foundation projects during his two-year term. His leadership was invaluable. Also recognized was Foundation Board member, Mr. Gene Davis. He finished a six year term on the Foundation Board on June 30 and will be missed. The Foundation welcomes Shirl Yager as new Chairman for the next fiscal year. Mrs. Kirven invited the Board members to the Foundation's annual meeting on Tuesday, July 31, 2012. The meeting will begin at 4pm and will summarize all the work that has been accomplished in the past 12 months and also have the opportunity to hear from several Welch Cancer Center patients and their stories.

BUILDING COMMITTEE REPORT

Mr. Forister, Facilities Manager, provided the following report in addition to Board packet information provided for member review. Special thanks was given to Dixie See as chairperson of the Building Committee for the past numerous years.

- ✓ Welch Cancer Center (WCC): The Cancer Center continues to be on schedule and very close to budget.
- ✓ Cath Lab: The pre-bid conference with contractors is set for Monday, July 9th. Construction is anticipated to begin early August and be completed in December 2012. All equipment has been selected and ready for order.
- ✓ Pathology: The Pathology project is moving forward. Construction is started and we anticipate a completion date in mid-August.

OTHER BUSINESS

Mr. Mischke reported committee assignments for FY2013. 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 FY 2013 would be as follows:

- Chairman – Ron Mischke
- Vice-Chairman – Gary Miller
- Secretary - Dr. Strahan
- Treasurer – Gene Davis

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

EXECUTIVE SESSION

The meeting moved into closed session at 4:05pm for discussion of personnel and legal updates. The meeting then reconvened into public session at 4:20pm.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:21 p.m.

Recorder,
Amy Ligocki

Michael Strahan, M.D., Secretary