

BOARD OF TRUSTEES
FEBRUARY MEETING MINUTES
Wednesday, February 27, 2013 **3:00 P.M.**

MEMBERS PRESENT: Ron Mischke, Kevin Bailey, Dixie See, David Smith, and Gary Miller (via phone), Dr. Strahan

MEMBERS ABSENT: Gene Davis

Others Present: Mike McCafferty and Dr. Cindy Sharp

CALL MEETING TO ORDER

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

PUBLIC COMMENTS, INTRODUCTIONS

Barbara Ellis, Guest (see Foundation Presentation)

APPROVAL OF AGENDA and MINUTES

The agenda for the February Board of Trustees Meeting was available for review. Item XI (Foundation) was requested to be moved to the beginning of the agenda under item III. The Environmental Care Plan Action item was moved from item XII Building Committee Report to a subsection of item IX Administration per request. Motion was made by Kevin Bailey to approve the February Board agenda as amended. Dr. Strahan seconded the motion. Motion carried.

The minutes from the January Board Meeting, held on January 24, 2013 were reviewed. A motion was made by Dr. Strahan to approve the January Board meeting minutes. Dixie See seconded the motion. Motion carried.

OLD BUSINESS

None

FOUNDATION PRESENTATION & GUESTS

Mrs. Ada Kirven, Executive Director of The Foundation, presented history of The Lorraine S. Husman Estate that has gifted \$5 million to the Foundation. The gift is from three siblings (and their spouses), Shirley (Bud) Willet, Lorraine (Harold) Husman, and Howard (Essie) Sorensen. The gift will benefit cardiac care and the dialysis programs at Sheridan Memorial Hospital. A close friend and caregiver to the family, Barbra Ellis, was present and spoke of the family's charitable hearts and passion to give back to the community. Mrs. Kirven further noted how such gifts have successfully shown the generosity of donors to continue great health services through the work of the Foundation, such as funding from the Griffith and Watt Foundations. All gifts make a significant contribution to the lives those who live in the Sheridan Community. A photograph of the creek next to Lorraine and Harold Human's home in Story was displayed and will be placed outside of the Cardiac Cath Lab with additional pictures of the three siblings, their life story, and wood working pieces made by Mr. Sorensen. An article on the Husman Estate was included in the Cardiac Care insert printed by the Sheridan Press. In addition, Mrs. Kirven showed a video to the Board of

Trustees reviewing the new Cardiac Care Cath Lab, which has been open since mid-January 2013. Ron Mischke, Board Chairman, thanked Mrs. Kirven for the presentation and noted to the audience that such donations put a lot of responsibility on the Board of Trustees to ensure that the funds are being utilized as directed by the donor, and that the best care is being offered for the Sheridan community and region. The Trustees never take this duty lightly and can never say thank you enough.

OTHER BUSINESS

A written update from Jennifer Rasp-Vaughan, Cath Lab Coordinator, was available for member review detailing the number of cases (22) as of February 26, 2013. One heart attack victim was treated within the first week of opening, which surpassed national standard “door to balloon time”. There have been only two (2) patients that were transferred to the next level of care due to the need for open heart surgery, but both left the facility in stable condition. Three (3) pacemaker implants or revisions have been performed. A multitude of stent/balloon procedures have also been performed without complications. Three (3) patients have arrived to the ER with chest pain and were able to leave the facility within 24 hours after receiving a stent, prior to a full-blown heart attack. The Cath Lab is also scheduled to start working on peripheral cases with Dr. Jost in the upcoming month, assisting patients with peripheral artery disease. These procedures are currently being performed in the OR, and by transferring these cases to the Cath Lab, will open more time in the OR for surgical procedures. All in all, a very successful first month.

Danae Brandjord, Marketing Director, reported a successful Heart Health Fair at Sheridan Memorial Hospital on Tuesday, February 28, 2013. Over 100 people attend the event, with more than 80 people taking a tour of the new Cath Lab. People took advantage of the booth displays and the professional expertise of the staff. Attendees had a chance to get their blood pressure checked and learn from educators and medical personnel on how to strengthen their cardiovascular systems.

Mr. Ron Mischke presented Board Member, Kevin Bailey with a certificate of completion for Best on Board education. All members are moving towards accomplishing the Best on Board online education program.

QUALITY COMMITTEE REPORT

Charlotte Mather, Chief Nursing Officer, reported that the Quality Committee met this month and discussed processes of data analysis. Productive and concrete conversations have been held with the Quality Committee in order to ensure proper follow-up is occurring for any trends identified in data analysis. The true functions of the committee are to not only view data, but to analyze and act on it which is being accomplished. Improvements on how the charts are being displayed have been completed as well. In addition, the Case Management team has been working closely with the newly contracted physician advisory group, Executive Health Resources (EHR) on the complex processes of chart auditing, specific to medical necessary and identifying appropriate inpatient, observation status’ of patients in order to be properly reimbursed by Medicare/Medicaid agencies. Dr. Strahan mentioned the complexity of the processes and how the advisory group will help the physicians in their decisions. Mr. McCafferty confirmed with the group that the information being shared in the Quality Scorecards every month is clear to the members.

MEDICAL STAFF REPORT

Dr. Cindy Sharp, Vice Chief of Staff, was present in Dr. John Addlesperger's absence to report the following information on behalf of the Medical Executive Committee.

The medical staff has had an opportunity to meet with Mike McCafferty at open house sessions to discuss the new position of Chief Medical Officer (CMO). In addition, Mr. McCafferty plans to hold strategic planning meetings with the physicians in March to talk short and long-term goals of the Hospital. Per request of Dr. Sharp, Charlotte Mather, CNO spoke on how the medical/surgical nursing leadership is changing its model of nursing to establish consistent nursing roles for "clinical nurse leaders" and plan for sustainable succession plans in the nursing department. These changes have been in support of physician feedback in order to streamline and improve nursing on the medical, surgical, ICU, and ED units. Dr. Sharp noted good communications and response from the physicians in regards to the new services of the Cath Lab. Dr. Barry Wohl, Chairman of the Bylaws Committee, continues to work with legal counsel and the Committee to complete an in-depth review of the Medical Staff Bylaws. He plans to present a review of hot topics with the Board of Trustees Bylaws Committee as well as at the Quarterly Medical Staff meeting to be held on Tuesday, March 12th at 6pm in Conference Rooms A&B, where all Board members are invited to attend.

ADMINISTRATION REPORT

Physician Strategic Planning Sessions - Mr. McCafferty noted he will be holding strategic planning meetings with the physicians, as noted by Dr. Sharp, on Tuesday, March 19th and Wednesday, March 20th to discuss planning and obtain physician input relative to the future of the Hospital. The Board members are invited to attend those meetings as well.

Chief Medical Officer (CMO) - Mr. McCafferty added to Dr. Sharp's comments from discussions with the physicians on the roles and vision of the new Chief Medical Officer (CMO) position. The job description and application has been distributed to all active medical staff for consideration and has been provided to the Board for review. Main job duties of the CMO will be to maintain effective communication and leadership to the employed physicians, assist physicians in maintaining regulatory requirements (CMS, TJC, RAC Audits, Core Measures, etc.), serve as a leader and resource to all medical staff physicians on patient care initiatives, help ensure the physicians' needs are met, and oversee the hospital's Quality Department. The CMO would not take the place of the Chief of Staff, nor his duties under the functions of the MS Bylaws, but would serve as an administrative liaison to inspire the goals of Quality to the Medical Executive Committee and the Hospital providers. The CMO would not function as a Manager of the Big Horn Health Network physicians, but be a resource for BHHN physicians to lead quality care initiatives. In regard to the role that the CMO would have with the Board Quality Committee, Mr. McCafferty sees the CMO (a hospital employed administrator) working closely with the Quality Committee Chair (appointed by the Board of Trustees) and the Chief of Staff (appointed by the Medical Staff) in carrying out Quality initiatives and as resources to each other. Mr. McCafferty feels the position description and conversations have been well-received and have asked those interested in applying for the position

to respond with a letter of intent by March 15, 2013 where thereafter, confidential interview processes will take place.

Safety Officer 2013 - 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 JCAHO, 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 Rob Forister as the current Safety Officer of Sheridan Memorial Hospital. Mr. McCafferty then recommended the Board to designate Mr. Forister as the 2013 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, Dixie See seconded the motion. Motion carried.

Rob Forister accepted this appointment and will have this delegation of authority as Sheridan Memorial Hospital's Safety and Security Officer for the period of January 31, 2013 to January 31, 2014.

2013 Environment of Care plans –An annual evaluation of the 2013 Environment of Care plans and future goals have been reviewed by Rob Forister, Safety and Facilities Manager. These plans include: Safety Management; Medical Equipment Management; Security Management; Life/Fire Safety Management; Utilities Systems Management; Hazardous Materials and Waste Management and Emergency Management. Each evaluation is conducted in order to assess how the program is functioning and determine its goals and improvements as needed. Each plan outlines its individual program scope, performance of program, and effectiveness of program/recommendations for improvement and has been reviewed and recommended by the Safety and Environment of Care Committees for approval by the Board for the year 2013. Mr. Forister noted there will be quarterly updates to the Board of Trustees beginning next month at the March 2013 meeting in order to keep the group up-to-date and ensure the goals and safety initiatives are being upheld by the Hospital. Dixie See motioned to approve the seven program evaluations as presented. Gary Miller seconded the motion. Motion carried.

FINANCE COMMITTEE REPORT

Mr. Ed Johlman reported the Finance Committee has met and discussed the following information for the month of January 2013.

January patient activity showed a marked improvement over our recent history. After four months of much lower-than-expected revenues, strong inpatient revenue led SMH to the 4th highest

monthly revenue total in our history. In addition, the BHHN produced its highest-ever monthly revenue. Contractual write-offs were favorable but bad debt and medical assistance write-offs were exceptionally high. Expenses were \$500K over their monthly YTD average. The result: the hospital earned on operations and the BHHN lost for a combined operating loss. Due to gifts we received from the Foundation for our Cancer Center and Cardiac Cath projects, total net income was \$1.464M.

Mr. Mischke noted the need to clarify a previous press release where figures had been incorrectly published in regards to the year-to-date vs. monthly losses of the hospital.

Members discussed the financial situation as it reflects higher expenses, attributed to such items as the Big Horn Health Network (BHHN) expansion and EMR implementation costs. Mr. McCafferty noted a lot of changes are occurring that may adversely affect us financially at this time, but these changes shall positively impact our growth and strategic plans for our future. It is becoming harder to obtain reimbursements and we are getting paid less for those reimbursements we do collect, hence contractual budgets will continue to be challenged. We continue to stay optimistic regarding the BHHN practices and are currently receiving expert feedback to ensure those practices are being run efficiently. Discussions are being held at a manager and leadership level as to how do we design our future to allow us to have practices supported and run efficiently in order to open up service lines across the hospital system. Activity is the key factor and right now we are seeing decreased operation. The topic of Medicaid expansion was discussed by the group. It sounds as though at the State level the expansion will not be approved. The Wyoming Hospital Association is a proponent for the initiative, but Mr. McCafferty noted that he believes it is not the answer for Sheridan Memorial Hospital.

BUILDING COMMITTEE REPORT

Dixie See noted the Building Committee met this month and discussed finalization of recent projects of the Cardiac Cath Lab and Welch Cancer Center, both very successful projects. The equipment for Interventional Radiology suite of the Cath Lab is still pending while waiting for FDA approval. Mr. Forister added more conversations will soon come to the Building Committee in regards to future schematic design for the ICU remodel that will eventually come forward to Board of Trustees for approval.

EXECUTIVE SESSION

The meeting moved into closed session at 3:54 p.m. for discussion of personnel and real estate matters. The meeting then reconvened into public session at 4:15 p.m.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:17 p.m.

Recorder, Amy Ligocki

Michael Strahan, M.D., Secretary