

**SHERIDAN MEMORIAL HOSPITAL
BOARD OF TRUSTEES
AUGUST MEETING MINUTES
Wednesday, August 31, 2011 3:00 P.M.**

MEMBERS PRESENT: Ron Mischke, Bill Huppert, Dixie See, Gary Miller, Michael Strahan, M.D., and Kevin Bailey.

MEMBERS ABSENT: Gene Davis and Dr. Hanebrink.

Others Present: Mike McCafferty

CALL MEETING TO ORDER

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

PUBLIC COMMENTS

Anthony Spiegelberg commented that he had recently toured the new Sim Center located in the Whitney Building. Mr. Spiegelberg wanted to acknowledge that this is an amazing program with a very detailed training experience available to both staff and college students. Mr. Spiegelberg extended his compliments to all staff involved.

APPROVAL OF AGENDA and MINUTES

The minutes from the July Board Meeting, held on August 10, 2011 were reviewed. A motion was made by Bill Huppert to approve the July Board Minutes. Dixie See seconded the motion. Motion carried.

There were no additions to the August 31, 2011 Board Agenda. A motion was made by Dr. Strahan to approve the agenda. Kevin Bailey seconded the motion. Motion carried.

QUALITY COMMITTEE REPORT

Lajune Bacon, Quality Services Manager, presented the 2010-2011 Quality Annual Report. Ms. Bacon reported that the Pediatric AVATAR Scores increased in ranking by 11 points and was number one in ranking of all departments during the last fiscal year. This increase was attributed to the fact that pediatric returned surveys increased from 23 to 85, which helped with an accurate reflection of information. Patient identification error rate was down. We will continue to work on patient safety goals throughout the current fiscal year. Beginning January 2012, SMH will report cath-related urinary tract infections (UTI) to CDC. There was a decrease in cath-related UTIs by nine from the previous year. Ms. Bacon reported that we are doing well in this area. Pain management score is based on HCAHPS information on how well we are helping people to manage their pain. The pain management score increased by 4.5 a percentage increase of 29% in ranking this last year. We were doing well with managing lifting and handling injuries in laundry until last quarter. Ms. Bacon reported that SMH experienced one more injury this year compared to last year. There is a decrease in nursing lifting and handling injuries on the floor with the use of the new

equipment. Overall, SMH is doing better with the first-year turnover score measuring a 3% lower rate than the year before. Goals for the next fiscal year were explain by Ms. Bacon, who stated that they will mirror what is currently happening. As we move forward with EMR, Cerner has a tool that will be utilized by departments for handoff communication. This tool will allow for a smoother transition between departments. Dr. Strahan noted that Quality information is extremely important to the Board and was happy to report that the AVATAR scores were good for the end of year and continues to go up. Ron Mischke extended thanks to all employees and physicians for a great job with the continual improvement in quality of care provided to all patients.

MEDICAL STAFF REPORT

Dr. Hanebrink was absent and no report was provided. There were no Medical Staff privileges to be presented this month.

ELECTRONIC MEDICAL RECORD (EMR)

Mr. Nyle Morgan, Chief Information Officer, provided an update on the EMR process. Mr. Morgan reported that on August 22, 2011, a contingency of 44 SMH employees, administration and physicians went to Kansas City for an initial visit with Cerner. This team has been charged with designing the work processes within all hospital departments; i.e. lab, radiology, admissions, nursing, pharmacy, nursing documentation, physician orders and physician documentation. This was a great investment in learning and team building. By the end of the trip, everyone had an excellent understanding of their roles and responsibilities. It was a week of meetings with a Cerner team of 68 engineers dedicated to work with us on the build. Staff was divided into individual groups to learn how to put everything together and what we need to do to accomplish the end goal. At the end of the week, staff left with a high confidence level, and are well on the way to accomplish the task. Mr. Mischke thanked Mr. Morgan, the IT department staff and team of individuals charged to get the EMR implemented. Mr. Morgan stated that this is a full hospital team effort with line staff and department managers building the product. Our people are up to the task and are engaged to move forward. From the community standpoint, this will be very beneficial and the patients will be the benefactors when implemented.

ADMINISTRATION REPORT

Mr. McCafferty provided the following strategic plan updates:

- ✓ Welch Cancer Center – The Cancer Center team/staff were introduced. Mr. McCafferty acknowledged the major role they play in doing great things for our community. Mrs. Kirven was asked to provide information on the fund raising efforts during the SMH Foundation report. Rob Forister, Facilities Manager, provided an update on construction and was happy to report the compaction at the Center's site has been completed to the exact figure and is stable. They will start pouring the foundation and floor soon. The walls will then be erected. Mr. Forister stated that the project is about one week ahead of schedule and is expected to be completed next fall. The CT scanner vault and linear vault are empty and ready for

renovation. Dr. Stamato explained that the current linear accelerator had been purchased and moved to another facility. Staff from the receiving facility commented on how well maintained our equipment was. Dr. Stamato described the new state-of-the-art equipment capabilities, including respiratory gaining and what we will be able to provide to our patients. Dr. Stamato reflected on the commitment of hospital staff, Board Members, and community to provide this state-of-the-art equipment that is now being provided to less than 5% of the country. Dr. Stamato reminded the group that these services will be provided here in Sheridan County within the next 12-15 months. Discussion was held on accommodations being provided to transport patients to Gillette for treatments during the period of remodeling. Timeframes were explained for the 8-10 week process, including install of new equipment. Thanks were given to all staff involved with the seamless transition in patient care. Rob Forister will continue to provide updates and information to the Building Committee on progress.

- ✓ Physician Recruitment – Mr. McCafferty stated that he is interviewing another Cardiologist next week to partner with Dr. Brennan. The recruitment efforts are to find the right match to move the program forward.
- ✓ Wyoming Hospital Association – Mr. McCafferty noted that the 2011 WHA Annual Meeting & Convention will be held in Casper, Wyoming during September 27-29, 2011. Information was distributed to the Board Members. To make it possible for employees, leadership and Board Members to attend the WHA Convention, the September Board Meeting, scheduled to be held on September 28, 2011, may be rescheduled.
- ✓ Medical Office Building – Mr. McCafferty reported that a meeting was held with TSP. A meeting with the Building Committee will be held to report information back to TSP regarding the design and size of the building. Mr. McCafferty stated that at this time, it is anticipated that the new building should be attached to the current building but discussion needs to be held on how to expand existing spaces, how to get people back and forth and how to structure parking.
- ✓ Cardiac Catheterization Lab and ICU – Planning is ongoing and continue to work on obtaining estimates. Mr. McCafferty stated that he should have figures and some form of recommendation to be presented at either a Special Board Meeting or during the September Board Meeting.
- ✓ Information of specifics on project time lines will be presented by Mr. Forister during his Building Committee report.

FINANCE COMMITTEE REPORT

Bill Huppert reported that the Finance Committee met this month. Ed Johlman, Chief Financial Officer, presented the financial review for July 2011. Mr. Johlman reported that this was the first month of the fiscal year and it was a solid financial start. Consolidated

revenues exceeded \$8.5M. Hospital expenses were \$200,000 under budget. Inpatient revenue was down; however, outpatient business and Emergency Department revenue was \$400,000 over budget. Mr. Johlman noted that for the third time, the Emergency Department had over 1000 visits in a single month. Big Horn Health Network activity was down for July due to physician vacations. Vouchers for July 2011 were reviewed and approved. Mr. Mischke noted that the revenue of the hospital is due to the good care provided by staff and took the opportunity to thank everyone. Profits are needed to purchase new equipment and to be able to provide other services needed to run the hospital efficiently.

BUILDING COMMITTEE REPORT

Rob Forister, Facilities Manager, reported that the Building Committee met this month. The Welch Cancer Center August construction monthly report was distributed to Board Members. Mr. Forister stated that there is a GMP proposal/contract with KWN and while he doesn't expect too many changes, one change order had been approved. Mr. Forister explained that at the time of the contract, the CT scanner had not been selected. The selected CT scanner required a large change within the CT Vault and the electrical system, of \$38,000 which is above the \$10,000 allotment. The Building Committee approved the change order, which changes the cost of the project. Mr. Forister anticipates any other changes that come along will decrease the cost of the project. Discussion was held on possible relocation of the air handling unit, which was designed to sit on the ground. A request was made to look at the option to place it on the roof. The Building Committee authorized funding for \$4,596.00 to do architectural design to set the unit on the roof over the Mechanical Room, which doesn't affect the view or noise. The authorization will give the architect approval to continue with the design and then will present to the Committee for a recommendation to go ahead with the design.

Gantt Charts were provided to the Board on the schedules for the following projects:

- ✓ Big Horn Surgical – renovation going forward as scheduled.
- ✓ Cancer Center – currently one week ahead of schedule.
- ✓ Cath Lab – continues with approved design and moves forward with construction documents and will bring forth for approval by September Board Meeting.
- ✓ ICU – approved funding for feasibility and team meetings for plan. Meeting in the next few weeks.
- ✓ MAC II – currently following schedule and near the end of September will have a recommendation on how to proceed.

FOUNDATION REPORT

Ada Kirven, SMH Foundation Director, provided a Foundation update on the funding for the new Welch Cancer Center and introduced the project's Lead Donors: The Vernon and Rowena Griffith Foundation; The Joseph H. and Arlene Watt Foundation; and The William and Lorene Welch Foundation. The new Welch Cancer Center is slated to be completed in the fall of 2012 and the community will have a tremendous asset. Mrs. Kirven stated that she has been amazed by the donations received for this project and that it has been a

blessing to have had the opportunity to work with donors, volunteers, the Welch Cancer Center staff, Jennifer Pfister, Dr. Stamato, SMH leadership and the SMH Board of Trustees. Mrs. Kirven also thanked the fundraising committee co-chairmen Shirley Yager and Dick Hammer for their work to achieve the significant progress towards the goal. To date \$2,886,000 has been received from over 150 donors. Hospital support from the following lead donors was highlighted:

- ✓ The Vernon and Rowena Griffith Foundation members were thanked for their support of 34 years for a total of \$8M and the recent \$1M gift to the new Welch Cancer Center. The following board members were present and recognized; Art Felker and Roman Skatula.
- ✓ \$1M was received from The Joseph H. and Arlene Watt Foundation. Past capital project involvement includes the Watt Dialysis Center. Total contributions from this organization are \$2.7M to Sheridan Memorial Hospital. Ky Dixon, current Chair, was acknowledged.
- ✓ The first gift received from The William and Lorene Welch Foundation was in 1985 and the Welch's legacy lives on at the new Welch Cancer Center. Mr. and Mrs. Welch along with their foundation, have given the hospital over \$1M since 1985.

Mrs. Kirven provided an update on the announcement of The Helmsley Charitable Trust Grant funding and provided a brief background of the grant application process. Mrs. Kirven explained that in May 2011, Dr. Tom Richards, SMH Emergency Department Physician, SMH Foundation Member for the past six years and a strong community supporter, called her with information regarding the possibility of rural healthcare funding available through The Helmsley Charitable Trust. Dr. Richards had met the representatives in Florida and mentioned to them that Sheridan Memorial Hospital had a new cancer center project. Mrs. Kirven followed up by calling the Helmsley Charitable Trust Foundation to see if the new Welch Cancer Center might meet funding criteria. Walter Panzirer arrived in Sheridan to meet with Mr. McCafferty, Dr. Stamato and Ada Kirven to discuss the project. The SMH Foundation was invited to submit an application. The grant was successful and it was recently announced that SMH Foundation was a recipient of a \$3M grant from The Leona M. and Harry Helmsley Charitable Trust. The majority of the funding will be utilized to help purchase the new radiation equipment.

Mrs. Kirven then recognized and thanked The Helmsley Charitable Trust staff members for coming to Sheridan for this announcement and celebration. Members present included Heidi Schultz, Program Officer; Barb Bruhn, Executive Assistant; and Megan Brandsrud, Intern. Ms. Schultz noted that Mr. Panzirer was unable to attend but that he sent his greetings and appreciation for the hospitality shown during his visit in June. On behalf of The Leona M. and Harry B. Helmsley Charitable Trust, Ms. Schultz expressed thanks for being invited to participate in this project and was pleased to announce the \$3,009,000 grant awarded to the SMH Foundation for the purchase of equipment at the new Welch Cancer Center. The Helmsley Charitable Trust Board Members are excited to help make an impact in a rural area, where travel for healthcare is difficult. Ms. Schultz noted that her organization is proud to invest in Sheridan and Wyoming and pleased to meet the other local Foundations, who are vital to this project. Through the focus on rural healthcare, grants are

able to influence how care is administered, which allows patients and families to remain at home for cancer treatments within the community and region.

Mrs. Kirven introduced Mr. McCafferty, who thanked all Foundation members for coming and for all leadership gifts also received. The local support has been amazing and with all combined efforts, the SMH Foundation has raised nearly \$6M to date, surpassing its original goal of \$4M. Mr. McCafferty expressed his thanks to Dr. Richards, Ada Kirven, Lynn Custis, Jennifer Pfister and Misty Taylor for their dedication and work to make the grant happen; to the SMH Foundation Members and the support of the SMH Foundation staff Tina Mediate and Marie Byrum. Everyone was thanked for coming and for their support of the new Welch Cancer Center. A reception was held immediately following the Board Meeting.

EXECUTIVE SESSION

No executive session was held.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:00 p.m.

Recorder,
Roxanne Araas

Michael Strahan, M.D., Secretary