

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

MEMBERS PRESENT: Bill Huppert, Gene Davis, Dixie See, Gary Miller, Harlan Rasmussen and Michael Strahan, M.D.

MEMBERS ABSENT: Ron Mischke, Brad Hanebrink, D.O.

Others Present: Mike McCafferty

CALL MEETING TO ORDER

Bill Huppert called the meeting to order at 3:00 p.m.

APPROVAL OF AGENDA and MINUTES

The minutes from the February Board Meeting, held on February 23, 2011 were reviewed. A motion was made by Gene Davis to approve the minutes. Harlan Rasmussen seconded the motion. Gary Miller asked for clarification on the difference between the work week and weekend coverage regarding the Hospitalist program. Mike McCafferty and Dr. Strahan, Medical Director of the Hospitalist program, explained that physicians are on-call for 24-hour shifts and it is not based on 8-hour shifts, but is based on patient census. The phrase, 8- hour shifts, will be removed from the 2/23/11 minutes. Mr. McCafferty explained the physician that is in the hospital, will see patients on the Hospitalist service, is on-call for unassigned call, and will care for ICU patients. This will replace the unassigned medicine call for physicians. No change is needed to the Medical Staff Bylaws. After further discussion, the motion to approve the February 23, 2011 minutes carried.

The minutes from the Special Board Meeting, held on March 15, 2011 were reviewed. A motion was made by Dr. Strahan to approve the March 15, 2011 Special Board Meeting Minutes. Dixie See seconded the motion. Motion carried.

The following revisions to the March 23, 2011 agenda were noted:

- ✓ Financial report was moved to the beginning of meeting;
- ✓ Additional capital equipment request to be presented;
- ✓ Due to the absence of Dr. Hanebrink, no Medical Staff Report will be given;
- ✓ Executive Session was not scheduled to be held; however, one will be held for the discussion of Medical Staff Privileges to be presented by Amy Ligocki.

Gary Miller made a motion to accept the March 23, 2011 agenda changes. Gene Davis seconded the motion. Motion carried.

PUBLIC COMMENTS

None

QUALITY COUNCIL REPORT

Dr. Strahan and Lajune Bacon, Quality Services Manager, reviewed the scorecards presented for the March 2011 Quality Report. The goal for the HCAHPS overall score is 75 and for the 4th quarter we were just below the goal. Ms. Bacon stated that on April 1, 2011, clinical staff will be attending a webinar on HCAHPS pain scores and treating pain. The Avatar overall score for the 4th quarter 2010 is 91.72. Mr. McCafferty asked Ms. Bacon to find out our percentile ranking for the AVATAR score and report at the next meeting. HCHAPS does have percentile ranking and tells us how we compare to other hospitals.

Patient/family issues were discussed and Ms. Bacon will break down indicator information by department for the next Quality report. Discussion was held on how complaints are reported and tracked. Dr. Strahan explained that every concern/complaint is followed through until conclusion and is a very intensive process. Quality services scorecard reflected goals are being exceeded with core measures.

Ms. Bacon noted that she is working on a project for incident and summary reporting. The project will focus on looking at the reporting process, identifying barriers, and recognizing ways to make it easier for staff to report incidents to gather accurate information. Dr. Strahan stated that the goal for this process is for sustained reporting, which is important to isolate problems and fine tune ways to improve quality. Discussion was held on what efforts have been made to decrease falls and keep them low over the last six months. Ms. Bacon explained that an assessment is done on every patient to determine fall risk and bed alarms are set appropriately; lifts help with mobility of patients; increased awareness; and staff available one-on-one at bedside. The two lifts currently at SMH are consistently used. Staff members have requested additional lifts be purchased to help with transferring of patients.

Ms. Bacon reviewed two utilization scorecards regarding medical necessity for both Medicare and non-Medicare patients. This review assures that all patients meet criteria and need the level of care provided. Length of stay target goals was discussed.

MEDICAL STAFF REPORT

Amy Ligocki, Medical Staff Coordinator, presented the recommendations for Medical Staff Bylaws revisions. Mrs. Ligocki noted that these recommendations were approved by a majority of the Medical Staff at their Quarterly Staff meeting in March (see attached for recommendation details). After discussion, Dr. Strahan made a motion to accept the recommendations for revisions to the Medical Staff Bylaws. Mr. Rasmussen seconded the motion. Motion passed

Mrs. Ligocki explained that the following practitioners are requesting Medical Staff membership and clinical privileges at Sheridan Memorial Hospital as members of the new Hospitalist Program. All physicians have been approved by the Credentials Committee and are being recommended for the following privileges:

- Derek Gilbert, MD, is requesting Active Staff membership in the Department of Medicine at Sheridan Memorial Hospital, specializing in Family Medicine. Since 2008, Sheridan Memorial Hospital has benefited from Dr. Gilbert's locum tenens services in the Emergency

Department and at Big Horn Mountain Medicine. Dr. Gilbert looks forward to serving the Sheridan community as an active member in the new Hospitalist Program. Dr. Strahan made a motion to approve Dr. Gilbert for Medical Staff membership and clinical privileges at SMH as a member of the Hospitalist Program. Dixie See seconded the motion. Motion carried.

- Robert Neuwirth, MD, is requesting Active Staff membership in the Department of Medicine at Sheridan Memorial Hospital, specializing in Internal Medicine and Nephrology. Dr. Neuwirth, will serve as a key member to the Sheridan Memorial Hospitalist Program. Dr. Neuwirth is the Director of the Hospitalist Program at Campbell County and will provide valuable information and coverage as needed. Dixie See made a motion to approve Dr. Neuwirth for Medical Staff membership and clinical privileges at SMH, as a member of the Hospitalist Program. Gene Davis seconded the motion. Motion carried.
- Charlie Barnett, MD, is requesting Active Staff membership in the Department of Medicine at Sheridan Memorial Hospital, specializing in Internal Medicine. Dr. Barnett, will serve Sheridan Memorial Hospitalist Program on an “as needed basis” specific to the call schedule needs. Gene Davis made a motion to approve Dr. Barnett for Medical Staff membership and clinical privileges at SMH, as a member of the Hospitalist Program. Dixie See seconded the motion. Motion carried.

ADMINISTRATION REPORT

Mr. McCafferty acknowledged and thanked Danae Brandjord, Marketing Manager, for the Hospital insert that recently appeared in The Sheridan Press. The insert contained Board information along with patient comments that have been received from the public regarding the care they received from Sheridan Memorial Hospital staff and physicians. Photos were provided by Cecile Pattison and Amy Turpin. The Board reported they had received nice comments and appreciated the work done on the project. Thanks was also given to all employees for the healthcare they provide to the residents of the community.

Cancer Center: Mr. McCafferty asked Rob Forister to provide an update on this project and to explain where we are in the design team process with CTA Architects and KWN Construction. Mr. Forister explained that last week, CTA met with the Welch Cancer Center staff to review individual space needs. After this meeting, plans will be fine-tuned and construction documents should be available in April. GMP should be available in May or sometime after the April Board Meeting, with groundbreaking slated in June. Mr. McCafferty explained that this project will go on top of the Gantt chart for all on-going construction projects. In the near future, a summary of projects will be provided to the Board and will include: EMR updates, other construction projects and critical pathways. Mr. Forister stated that CTA has the interior design complete and will make a presentation to the hospital interior design committee for approval of colors, counter tops, carpet, fixtures, etc.

Jennifer Pfister, Manager of the Welch Cancer Center, explained the linear accelerator process. Ms. Pfister explained that they are at the end of the lengthy process and have everything in the treatment package for the Linac to deliver radiation, the needed upgrades to the systems, power supplies, parts, and maintenance. The process is close to completion and then moving forward, it will take between four-six months to build per our specifications. The next step will be to decommission the old Linac

and re-commission the new Linac, during which time radiation treatments will be stopped for six-weeks. This will not be planned to occur during the winter months as patients will need to travel to Gillette for treatments. Plans are to do some interior remodeling to our current vaults during the de-commissioned time frame. At this time, the team is looking for a buyer for the current unit.

Electronic Medical Record (EMR): Nyle Morgan, Chief Information Officer, provided an update on the EMR process. Mr. Morgan announced that on March 23, 2011 a meeting was held with a Cerner representative, who came for a presentation and contract signing. A check for \$850,000, 10% of the contract, was written to Cerner at that time. Mr. Morgan explained the process and time frames. The hardware is currently on its way, which is the initial step to start building the software. Mr. Morgan stated that Bridget Gerleman, Information Officer, will be the project leader. Cerner will assign an on-site overall project manager for installation purposes. Mr. Morgan and Mrs. Gerleman will work on developing teams of staff members to help with building the software, to meet our needs, starting in July. The process is not single threaded, but is a process with multi-teams to work in the hospital (radiology, lab, nursing, physicians) where all tracks will start at the same time. It is anticipated that it will take 14 months to go-live after starting the build in July, 2011. The “go-live” target date is August, 2012. Discussion was held on how paper patient records will be input into the system. Mr. Morgan explained that any current electronic records will convert. Determination will need to be made regarding which data and/or paper documents needs to be kept and scanned into the system. Evaluation and clinical decisions will be made on that process during the build. Dr. Strahan noted that lab results, x-ray’s, and H&P information is of value. The remaining data can be referenced in the paper records. The Emergency Department vendor is yet to be decided. Mr. Morgan stated that once the hardware is received, we will be invoiced for that.

Strategic Planning Dashboard Proposal: Mr. McCafferty explained that he will wait for further discussion on this proposal until he meets with the department managers and leadership in the hospital. This dashboard will tie to our finalized strategic plan to assist in tracking and measuring our achievement of goals on a regular basis. No action was taken today.

Hospitalist: Mr. McCafferty provided a summary of the Hospitalist Program and explained that for the last three years, we have been working with primary care physicians to provide unassigned call. The on-call physicians were scheduled for one week at a time; on-call 24 hours a day for a seven day period and alternating weeks. When patients came to the Emergency Department and didn’t have a physician, the on-call doctor was called to admit and follow patients through their care. The physician then picked up the patient upon discharge. SMH contracted with those physicians to provide that service. Physicians billed for their time with the patient.

With the Hospitalist Program, SMH will provide the service and the physicians will get paid to see the patients. Mr. McCafferty explained that beginning April 1, 2011, SMH will begin a modified Hospitalist Program starting with all patients under the care of physicians employed by hospital; Drs. Hunter and Sharp. The service will start slow with patients of Big Horn Mountain Medicine (BHMM), who need to be admitted to the hospital, being assigned a Hospitalist Physician for their hospital care and treatment by the doctor who is assigned hospitalist duties for that period of time. Physicians providing Hospitalist service include: Dr. Hunter and Dr. Sharp of BHMM. It will also include Dr. Strahan and Dr. Batty. The hospital has also contracted with Dr. Derek Gilbert, a family

practice physician who currently works in the Miles City hospital to work at SMH to provide service seven to ten days per month. Dr. Robert Neuwirth, of Gillette, will also provide services on an as needed basis. Hospitalized BHMM patients may be treated by a physician other than their primary care physician. Drs. Strahan and Batty will continue to see their own patients when they are admitted to the hospital.

Dr. Strahan, will be the Medical Director of the Hospitalist Program. Linda St. Clair, Hospitalist Coordinator, will coordinate the Hospitalist Program and assist with scheduling of the physicians. Mr. McCafferty stated that as we grow, we could see physicians outside BHMM wanting to refer their patients to the Hospitalist Program, but we are not going to do that as of now. Currently, the service will be limited to a maximum of 20 patients for one Hospitalist to manage per day. Physician Assistants could be used for supplemental back-up to the Hospitalist to help treat patients.

Mr. McCafferty noted the expectations of the program are that there is always access to a physician for the nurses, patients, and families. The program supports a patient's primary care physician by allowing him or her to focus on seeing patients in their office. A Hospitalist has immediate availability and will be in contact with primary care physicians upon a patient's admission, discharge, and at all other necessary times during care.

Mr. McCafferty acknowledged that there are members of the community, who are not comfortable seeing another doctor. We will work through the process to provide the best service for the community. Mr. McCafferty noted that this is a transition on the evolving way that healthcare is being delivered and is something that we have been trailing behind in. Dr. Strahan stated that as a group, the Hospitalist physicians, will work together to agree on standardization of care and set therapies for certain conditions. Dr. Strahan also noted that standardization would enable the hospital to negotiate better prices on things such as medications, therefore lowering costs to provide service. These benefits will help us to deliver the best quality of care. It will also help people to accept the Hospitalist Program. Discussion continued on the national trend and usage of mid-level care in hospitals and outpatient settings.

FINANCE COMMITTEE REPORT

Gary Miller reported that the Finance Committee met and approved the vouchers and credit card statement for the month. Ed Johlman, CFO, reviewed the February 2011 financial information. Mr. Johlman explained that February was our first consolidated operations loss since November, 2008. Consolidated inpatient and outpatient revenues were down. Inpatient activity was at its lowest level in more than two years. Discussion was held on the point that February is the shortest month for the number of days available for patient revenue in the year and the impact that has. Dr. Strahan explained that flu incidents have gone down since the community started immunizing the schools and children and has affected the peak flu season normally seen this time of year. As this seems to be becoming a new trend, which influences medical care, it is something that will need to be budgeted for in the future. The hospital still had a net positive for February and earned \$218K for the month. Charity care and bad debts, as well as hospital expenses, were down, which helped the overall outcome. Cash remains strong with a current balance of \$8.1M, which is ahead of the same time last year. AR also remained strong. Mr. Johlman explained that AR ended February at \$12.1M, which was its lowest level since June 2006, for a total of 45.6 gross AR days.

A capital equipment request was presented by Lionel Gagner, OR Manager. The item is a non-budgeted item with a cost of \$44,542. Mr. Gagner explained that we paid the VA to use their equipment and that cost would be eliminated. The Sterrad NX sterilizer is used to sterilize items that are heat sensitive and cannot be sterilized with our existing equipment. Mr. Gagner explained that these items were being sent to the VA Hospital for sterilization in their sterilizer (petri dishes, dermatomes, Doppler probes, pacemaker magnets, and other items). The equipment at the VA is no longer available and the alternate plan would require sending items to Gillette or Casper. The purchase of this sterilizer would provide for equipment that needs to be sterilized and, which needs to be available on an as needed basis. It will take 2-3 days to get equipment sterilized without having the equipment in-house. Patients will have less wait time either waiting to have surgery the day scheduled or waiting to get a date for surgery. Heat sensitive items will be turned around and ready for reuse in less than 1 hour. Discussion was held on the equipment and what our needs are. Gene Davis asked Mr. Johlman for an explanation on how this equipment will be paid for using excess funds from the current year capital budget. Mr. Johlman explained that Mr. Gagner reviewed his budget and found equipment that was budgeted for but not necessary at this time. Mr. Rasmussen asked if the budget reflected those items that were traded out. Mr. Johlman referred Mr. Rasmussen to the capital equipment schedule and explained that there was over \$80,000 not yet spent. Mr. Johlman was asked to identify trades or changes more clearly on a spreadsheet. Dr. Strahan made a motion to approve the request for \$44,542 to purchase the Sterrad NX sterilizer. Dixie See seconded the motion. Motion carried.

Sandy Fuller, Nutritional Services Manager, presented a non-clinical capital equipment request. Mrs. Fuller explained that the request was for a new convection steamer, which will allow SMH Nutritional Services to cook certain foods with direct steam in a healthy and safe manner. Mr. Miller stated that the current steamer is inefficient and has become obsolete due to safety reasons. Nutritional Services has two 20-year old steamers and one steamer has faulty door seals, which are unable to be repaired. Due to safety hazards, the equipment needs to be replaced now but is not a budget capital item for FY 2011. The total cost is \$15,150; the other steamer is in the capital budget for next year. After discussion, a motion was made by Mr. Miller to approve the purchase for the steamer in the amount of \$15,150. Dixie See seconded the motion. Motion carried.

FOUNDATION REPORT

Ada Kirven, Foundation Director, thanked the Board Members for their leadership gift to the Welch Cancer Center capital campaign. Mrs. Kirven stated that the SMH Foundation Directors have been busy developing the fundraising campaign. The Hospital Board of Trustees and the Medical Executive Committee members all contributed and pledged \$50,000 to the Hospital Foundation. Mrs. Kirven has also been working with the staff and patients of the Welch Cancer Center to develop the story of why we need additional space for cancer care in Sheridan. She hopes to show the finished product at a future meeting. Copies of the compiled patient stories were distributed. Mrs. Kirven thanked the SMH Foundation Board Members for their work on the campaign project. The Foundation Campaign Oversight Committee will meet weekly for the next few months and Mrs. Kirven will keep the Board updated on the gifts received and progress toward the goal.

Mrs. Kirven announced that the Sheridan Memorial Hospital Foundation's 10th Annual Benefit Concert will be held on Sunday, May 15, 2011. The Concert will feature Sheridan soprano Karen

Clift and the Blue Baroque Band featuring select members of the Saint Paul Chamber Orchestra. A sponsorship reception begins at 5:30 pm and the concert at 7:00 pm at the WYO Theatre. Proceeds from the annual benefit will support the New Welch Cancer Center fundraising campaign. Thanks were given to First Federal for the first benefit sponsorship gift of \$10,000.

BUILDING COMMITTEE REPORT

Rob Forister stated that the Building Committee met this month. Mr. Forister explained that TSP has been on campus for strategic planning and to gather input regarding the best location, size of the new Medical Office Building, and future use of the hospital campus. TSP will present their findings in the near future. The committee also looked at different canopy drawings.

OTHER BUSINESS

Chris Bilyeu, Radiology Manager, reported that Dr. Brennan has received and likes the newly purchased ultrasound.

Michael Pearlman, reporter from The Sheridan Press, announced that this was his last Board meeting and was moving to Cheyenne, Wyoming. Mr. Pearlman expressed his appreciation to the Hospital Board Members and the staff at Sheridan Memorial Hospital for their cooperation over the last few years.

EXECUTIVE SESSION

There was no executive session scheduled; however, Medical Staff privileges were presented for action. The meeting moved into closed session at 4:45 p.m. for discussion of personnel matters. The meeting then reconvened into public session at 5:00 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 5:15 p.m.

Recorder,
Roxanne Araas

Michael Strahan, M.D., Secretary