

**SHERIDAN MEMORIAL HOSPITAL
BOARD OF TRUSTEES
MAY MEETING MINUTES
WEDNESDAY, May 25, 2011 3:00 P.M.**

MEMBERS PRESENT: Ron Mischke, Dixie See, Bill Huppert, Harlan Rasmussen and Michael Strahan, M.D.

MEMBERS ABSENT: Gene Davis and Gary Miller

Others Present: Mike McCafferty, Brad Hanebrink, D.O., and Doug Reid, ECRI Representative

CALL MEETING TO ORDER

Ron Mischke called the meeting to order at 3:05 p.m. Mr. Mischke announced that Harlan Rasmussen has served 10 years as a Sheridan Memorial Hospital Board Member. His tenure will be complete on July 1, 2011. An appreciation gift was presented to Mr. Rasmussen by Mike McCafferty and Mr. Mischke. Mr. McCafferty stated that it had been his honor and privilege to work with Mr. Rasmussen. Mr. Mischke acknowledged that everyone was grateful for his dedication and the many contributions to Sheridan Memorial Hospital during both good and difficult times.

APPROVAL OF AGENDA and MINUTES

The minutes from the April Board Meeting, held on April 27, 2011 were reviewed. A motion was made by Dr. Strahan to approve the minutes. Bill Huppert seconded the motion. Motion carried.

There were no additions to the May agenda. A motion was made by Mr. Huppert to approve the agenda for the May Board Meeting. Dixie See seconded the motion. Motion carried.

PUBLIC COMMENTS

None

QUALITY COMMITTEE REPORT

Dr. Strahan reported that the committee is addressing some charting documentation issues and working on complete patient care plans.

Lajune Bacon explained the patient concern process and how every complaint is investigated to make sure everything is addressed and/or appropriate changes are made. There were nine patient concerns reported for April and all complaints were resolved. Dr. Strahan stated how impressed he is with this process, and acknowledged the amount of work done in this area.

Ms. Bacon reported on scorecard data for the following areas: People - data will be available in July; Service - first quarter data indicators were all above expectations. The AVATAR overall score is 91.18. Congratulations were given to Pediatrics for their 95.65 AVATAR score. Other AVATAR scores were provided by department. Core measure data was presented and Pneumonia performance indicators were all green. With the exception of Congestive Heart Failure (CHF), performance indicators were green. The case responsible was due to a documentation error and re-education has been completed. Surgical Care Improvement Project (SCIP) indicators were all green. Ms. Bacon gave credit to the Anesthesiologists for their efforts. Physician education regarding utilization for medical necessity is on-going.

MEDICAL STAFF REPORT

Dr. Hanebrink reported that it had been a busy month. All committees met. Cerner had provided a presentation to the medical staff. Mr. McCafferty explained that he has interviewed with the administrative representatives from the University of Washington as they conducted a facility assessment for SMH to be a clinical site for surgical clerkship for students. The general surgeons are working with the WWAMI medical program at the University of Washington in establishing a contractual relationship. They are beginning the accreditation process, which will allow surgical students to work at Big Horn Surgical during their residency rotations. Dr. Hanebrink noted that this program would allow students a great place to practice, for them to see our community, facilities and for some, the opportunity to return to Sheridan. This program is in-line with SMH recruiting strategy and we hope to know more by next month. If SMH is determined to be a clinical site, the school will begin setting up student rotations with its residents in the following education year.

Dr. Hanebrink presented the following Medical Staff Membership and Privilege requests as follows:

- Michael Brennan, M.D., is requesting advancement of membership from Consulting to Active staff status at Sheridan Memorial Hospital. Dr. Brennan has been a full time Cardiologist at Big Horn Heart Center of Sheridan Memorial Hospital since June 2010. Dixie See made a motion to approve the request in change of status. Harlan Rasmussen seconded the motion. Motion carried.
- New Medical Staff Privileges for Affiliated Health Care Professional to Cheryl Phinney, FNP, PMHNP. Ms. Phinney is requesting Affiliated Health Care Professional Staff membership in the Departments of Medicine and Pediatrics as a double certified Family and Psychiatric/Mental Health Nurse Practitioner under the supervision of Dr. Michele Bennett. Cheryl is currently employed by Dr. Michele Bennett who will provide her direct supervision and work under Dr. Bennett's scope of practice as a nurse practitioner at Sheridan Memorial Hospital. Harlan Rasmussen made a motion to approve requested privileges. Dixie See seconded the motion. Discussion took place regarding physician oversight. Motion carried.
- New Medical Staff Privileges for Affiliated Health Care Professional to Dawn Angeloe, PMFT who is requesting Affiliated Health Care Professional Staff membership in the Department of Medicine and Emergency at Sheridan Memorial

- Hospital. Dawn is employed at the outpatient and children services office of Northern Wyoming Mental Health Center and will serve Sheridan Memorial Hospital in an on-call basis for behavioral health consults. Ms. Angeloe has direct supervision by Don Boone, LPC at NWMHC. Dixie See made a motion to approve requested privileges. Bill Huppert seconded the motion. Motion carried.
- New Medical Staff Privileges for Teleradiology Privileges (No Membership) to Cristina Cavazos, MD who is an employed Radiologist with Virtual Radiologic Corporation and is requesting Teleradiology Privileges in order to provide interpretation services in the Department of Radiology at Sheridan Memorial Hospital. Dr. Cavazos will be added to the member list who read radiology reports pursuant to the agreement between Virtual Radiologic Corporation (VRAD) and Sheridan Memorial Hospital. Bill Huppert mad a motion to approve requested privileges. Dr. Strahan seconded the motion. Motion carried.
 - New Medical Staff Privileges for Active Staff to Nicole Caldwell, MD, who is requesting Active Staff membership in the Department of Medicine at Sheridan Memorial Hospital, specializing in Internal Medicine. She will be a newly employed physician at Big Horn Mountain Medicine and the SMH Hospitalist Program with an expected start date of July 1, 2011. Dr. Strahan made a motion to approve new medical staff privileges for active staff to Dr. Caldwell. Mr. Rasmussen seconded the motion. Motion carried.

All midlevel practitioners have current, unrestricted Wyoming licenses and have already established at least one primary physician as their supervising physician at Sheridan Memorial Hospital. The following midlevel practitioners are requesting additional supervisory coverage under the Sheridan Memorial Hospitalist group specializing in Family and Internal Medicine:

- Erin Scherry, PA-C, Certified - Physician Assistant; with a specialty in Family Medicine and is currently employed by Strahan & Associates, P.C. Current Supervising Physician(s) are Dr. Strahan & Dr. Ian Hunter.
- Wendy Pehringer, APRN, FNP-C is a Certified Advanced Practice Registered Nurse and Certified Family Nurse Practitioner with a specialty in Internal Medicine, and General Surgery. Her current employer is Strahan & Associates, P.C. Her current Supervising Physician(s) include: Dr. Michael Strahan, Dr. Ian Hunter, Dr. Irving Robinson, Dr. Corey Jost, and Dr. Barry Mangus.
- Colleen Butler, APRN, FNP-C is a Certified Advanced Practice Registered Nurse and Certified – Family Nurse Practitioner with a specialty in Family Medicine. Her current employer is Strahan & Associates, P.C. Current Supervising Physician(s) is: Dr. Michael Strahan.

A motion was made by Mr. Rasmussen to approve additional supervising physician coverage to the midlevel practitioners: Erin Scherry, Wendy Pehringer and Colleen Butler. Ms. See seconded the motion. Dr. Strahan removed himself from the vote. Motion carried.

ADMINISTRATION REPORT

Welch Cancer Center - Mr. McCafferty reported that he will be gathering more information on the proposed GMP and will get the Board together for a Special Board meeting to discuss his findings. No recommendations presented today.

Mr. McCafferty announced the retirement of Peggy Callantine, Chief Nursing Officer, who has been with SMH for 22 years. Mrs. Callantine has been a part of the community for a long time and a volunteer with several organizations, all with a focus on healthcare. Mrs. Callantine worked at SMH for a period of 7-8 years and left to return in 1995. During the last 16 years, Mrs. Callantine has brought a steady and stable hand to the nursing departments within the hospital. For the last seven years, Mrs. Callantine has been the Director of Nursing. Mr. McCafferty acknowledged his appreciation for everything that she has accomplished with patients, staff and the medical community. Mr. Mischke wished her well in retirement and noted that both the community and hospital have benefitted greatly from her amazing caring attitude. Mrs. Callantine stated that her last day will be June 24, 2011 but has agreed to be available in an as-needed consultant capacity until September, 2011. The hospital has begun the process of recruitment with a national recruiting search firm.

Physician Recruitment – Mr. McCafferty provided a recruitment update and noted that Dr. Nicole Caldwell will start at the Big Horn Mountain Medicine clinic July 1, 2011. In addition to Dr. Caldwell, he is working with other potential WWAMI candidates. Currently, he is visiting with three, two-year potential recruits in Internal Medicine/Hospitalist. He is also working with two, three-year recruits; one for Internal Medicine and one in Emergency Medicine. All students are from the Sheridan community and have shown an interest in returning to practice here. Mr. McCafferty also reported that he continues with Emergency Department recruitment and has two physicians coming for interviews, to tour the hospital, visit the community, and to provide locum coverage in the Emergency Department. Mr. McCafferty reported that SMH has used recruitment firms over the years, but has found the best way to recruit is through relationships, through the networks physicians have with one another. He explained that he has asked Dr. Laura Ferris to help with the coordination of recruitment for cardiology and other specialties as needed at SMH. He welcomes her expertise as she knows and understands the needs for the community. Mr. McCafferty noted that he continues to recruit for a long-term Medical Oncologist in addition to Dr. Fehir. This is a difficult specialty to recruit and will keep everyone posted on the status.

Board Education – Mr. McCafferty announced that several Board Members recently had the opportunity to attend a Wyoming Hospital Association (WHA) Board Trustee Education Conference. The program was associated with the Minnesota Hospital Association (MHA) and was very informative to learn what they are doing for trustee education. Mr. McCafferty explained a certification program offered to trustees with credit hours available in leadership responsibilities, governance for hospitals, etc. Once all requirements are complete, they become a certified trustee. The program is specific and goal orientated to healthcare in hospitals. WHA plans to work together with MHA to bring this trustee education opportunity for hospital board members to become certified. This is a two-year certification

and would strengthen leadership and governance. A new Board member would spend their first year on medical terms and the basic language of hospital terms. Dixie See acknowledged that this program is easy to get excited about and provides good opportunities for early education on expectations. Mr. McCafferty will keep the Board informed as more information from WHA becomes available.

Mr. Mischke announced that there are conflicts with the June Board meeting date (6/22/11). Roxanne Araas was asked to send out options to members and to reschedule the meeting. The July Board meeting is scheduled to be held on August 3, 2011 to allow time for year-end reporting.

FINANCE COMMITTEE REPORT

ECRI Institute Service overview was presented by Doug Reid, Account Executive. Mr. Reid explained that SMH purchased a membership with them for technology planning and procurement advisory services and includes the following three components:

- Health Technology Assessment Information Service (HTAIS) for service line strategic technology planning;
- Procurement advisory service for capital medical devices & IT systems including alerts tracker;
- Price guide for comparative effectiveness testing and price benchmarking for supplies, implants and physician preference items.

ECRI is a certified patient safety non-profit organization that is designated as an evidence-based practice center. Evidenced-based resources, recommendations and strategic technology planning assistance are available to us for help with decision making. Product evaluations, ratings, specifications, recommendations, and negotiation assistance is available for procurement purposes. Assessments, consultation, tools and guidance, data collection, and education are available for patient safety and quality and risk management. They will help the hospital with evaluating and testing medical devices for safety & usability to help obtain the best products at the best prices, and making evidence-based predictions on new and emerging technologies in order to plan for our future. Currently they are process of reviewing SMH purchase order history to make sure that we are getting the lowest price possible. HTAIS provides most current scientific evidence on devices, including IT, drugs, procedures and therapies.

Mr. Reid explained that service training sessions are web-based or available on site. Mr. Mischke stated that SMH began a two-year contract with ECRI on February 1, 2011, and that the company is reviewing our supply list of purchases made during the past 12 months and then on a monthly basis. Dr. Strahan stated that the service is a valuable tool to learn about new technologies for future growth and development. Mr. Reid noted he will e-mail their monthly publication to all Board members as requested. Bill Huppert thanked Mr. Reid for his presentation and appreciates the service that will help provide additional information to the Board when considering supply costs and major equipment purchases.

Mr. Harlan reported that the Finance Committee met and approved the vouchers for the month. Mr. Johlman reviewed the financial information for April, 2011 and explained that patient care activity was down for the month. Consolidated revenues reached \$8.2M. Hospital revenue was \$788K below budget and consolidated revenues were \$644K under budget. Due to lower revenue, the Hospital experienced a favorable contractual adjustment; expenses were lower, less need for reserves, leaving April basically a break-even month. Harlan Rasmussen discussed the hospital gross A/R days of 44.3 and asked Susan Novak to explain information that she received from another hospital. Mrs. Novak discussed a call that she received for advice on what we are doing to achieve our success with A/R days. The other site reported their A/R days at 94. Mrs. Novak offered to visit their site as a mentor. Mrs. Novak further explained that it has been a three-year process, combined effort of the entire facility and she described the involvement of many departments. Mrs. Novak reported that the billing department made a site visit to view the Cerner billing piece, and was happy to report that it will do a great job for us and is a great opportunity for our A/R days to continue or allow us to get even better.

Mr. Johlman presented the proposed FY 2012 Operational and Capital Equipment Budget. Mr. Johlman explained the hospital is projecting flat revenue and a very modest total patient rate increase of 3.5 percent. Mr. Rasmussen acknowledged that an in-depth overview was provided to the Finance Committee members. Budget workshops were also provided for other Board members to have the opportunities to review the proposed budget. A lot of background work had been done during these work sessions. The Finance Committee recommended the FY2012 Consolidated Operational Budget which is budgeted to receive \$106M in total revenue, \$43M in Contractual Adjustments, and to spend \$61M in expenses. Total expenses increased by \$1.1M primarily from costs associated with the EMR implementation. The FY2012 Capital Equipment Budget included a list of items for a total of \$750,716 in capital items. Mr. Rasmussen made a motion that the FY2012 Budgets be adopted as proposed. Dr. Strahan seconded the motion. Motion carried.

FOUNDATION REPORT

Ada Kirven, SMH Foundation Director and Shirley Yager, SMH Foundation co-chairman of the Welch Cancer Center (WCC) Campaign, announced that over \$70,000 was raised at the 10th Annual SMH Foundation Benefit. All proceeds from the benefit go towards the WCC project. Mr. Mischke recognized the SMH Foundation Board efforts and commitment to make this a wonderful event.

Mrs. Kirven announced the new Welch Cancer Center project gifts and pledges received to date. She was happy to report that \$2,460,000 has been raised towards the goal of \$4M. The two lead donors are the Griffith and Watt Foundations. With this \$1M recent gift, the Vernon and Rowena Griffith has donated over \$8M with 56 individual gifts. Appreciation was expressed to the Griffith Foundation for its tremendous support for all of the past capital campaign projects spanning the past 34 years. A pledge for \$1M was also received from The Joseph H. and Arlene Watt Foundation. The Watt Foundation has supported the hospital with more than \$2.7M over the years. Mrs. Kirven reported that the Campaign Committee meets weekly, and currently has ten proposals in process. A Community

Campaign will begin soon with this exciting project to improve patient care to fill a community need. Thanks were given for other lead gifts received from the SMH Board Of Trustees, SMH Medical Executive Committee and SMH Foundation Directors, First Interstate Bank, Mars Foundation, Nickerson Foundation, SMH Auxiliary and Dr. Stamato. Mrs. Kirven then showed a DVD produced with interviews from WCC patients. Mrs. Kirven explained that she is available to provide project presentations to other social agencies and share the DVD as requested. Mrs. Yager gave thanks to the generous donors and to the leadership of the SMH Board. Mrs. Yager explained that with the truly remarkable contributions, plus the faith that the community has on what is happening at the hospital, makes this project easy to get everyone on board with. It has become more than raising money; it has become a personnel quest to make it happen.

BUILDING COMMITTEE REPORT

Dixie See stated that the Building Committee met. Mr. Forister presented Capital Construction Projects for action. Mr. Forister explained that last year \$1M was allotted and part of items were on the list, and still within the budget. The process of determining priorities for internal facility projects was explained. The lists of projects grow and shrink based on needs. Therefore, the lists of projects are discussed with leadership, managers and the Building Committee to help determine priorities for the fiscal-year. Following are the projects on the top of the list for this year:

- ✓ Surgery woman's locker room renovation & expansion. Total cost is \$128,820. Space in surgery is needed to provide an extra bathroom, additional full-size lockers, and to create a locker room that is separated from the break area. Current space is too small and is also used as the break room. This is on the priority list to be done in July.
- ✓ IS training room for a total cost of \$110,000. Need to create a new computer training lab as the current computer training area can accommodate only four students. With the implementation of Cerner and all of the employees that will be required to complete training, the current location is not sufficient. The current location is located in the transcription area and with traffic; the noise is disruptive to the transcriptionists. The newly created space will be located in the basement in an existing storage area. The space will allow room for sixteen work stations and has close access to the Information Systems department for on-going tutorial assistance. Nyle Morgan explained that the initial training is to get as many employees trained by the EMR go-live date. Training will continue with new EMR until everyone in the hospital is trained. Training will continue to be provided on updates, for new staff, travelers, etc. which means the training area becomes a lifelong need.
- ✓ Nutritional Services room service for a total cost of \$198,000. Currently everything is in place for room service, except for the air handler. The kitchen hood project was completed under budget. The existing hood was re-done and added a room-service hood. This project will provide make up air to the hood system, and install the electrical and plumbing infrastructure to equipment. This is the last piece of equipment needed before room service can be implemented.

Dixie See stated that all projects have been discussed by the Building Committee, have been previously submitted to the Board, and are being recommended for approval. Discussion

was held on contingency amounts that could be approved by the Building Committee. Ms. See moved to approve all projects for the amounts requested. Mr. Rasmussen seconded the motion. The motion passed for all projects.

Rob Forister discussed the Medical Arts zoning approved by the Planning Commission and scheduled to be presented at the next City Council meeting for first reading. This zoning will help the hospital to be able to install better signage to allow visitors to find their way and parking for construction projects for individual buildings. Current requirements allow for a certain number of parking spots for so many square feet, (i.e. the proposed new Welch Cancer Center required more parking than what is needed). The Medical Arts zoning will allow use of all parking spaces on campus to meet the square footage need. The master plan has been approved by the Planning Commission and City Council. If alteration is needed for the master plan for signage and/or parking for future campus use, within this zoning there will not be the need to apply for variance change. Mr. McCafferty explained current signage requirements at the MAC and how limited we are to have only one sign that identifies every person in that building. Currently, we do not have any control where to put signs. A good master plan doesn't dictate a sign but incorporates a design standard, sign type, and roughly the size of a sign appropriate to be able to locate a business. This plan is flexible enough and would not require SMH to go for approval each time there is a need.

Mr. Forister explained that the Building Committee is expecting the design placements for the proposed Medical Office Building soon. Currently there are a couple of options being considered. Another meeting will be set to further discuss the concepts of the Medical Office Building with interior design and placement on campus will be narrowed down.

EXECUTIVE SESSION

The meeting moved into closed session at 4:35 p.m. for the discussion of real estate and 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 5:20 p.m.

Recorder,
Roxanne Araas

Michael Strahan, M.D., Secretary