

**SHERIDAN MEMORIAL HOSPITAL
SPECIAL BOARD OF TRUSTEES
MEETING MINUTES**

Tuesday, May 1, 2012 10:00 a.m.

MEMBERS PRESENT: Ron Mischke, Dixie See, Gene Davis, and Kevin Bailey

MEMBERS ABSENT: Gary Miller and Michael Strahan, M.D.

Others Present: Mike McCafferty, CEO; Charlotte Mather, CNO; Ed Johlman, CFO

CALL MEETING TO ORDER

The special board meeting was called to order at 10:10 a.m. by Chairman, Ron Mischke.

ADMINISTRATION REPORT

Mike McCafferty discussed progress from State Survey audit, specifically conditions of participation and governing body standards. This information was presented in order to address the importance of communication and responsibilities between medical staff, governing body and Quality Council Committee. The expectation of the governing body is to ensure monitoring of quality processes is effective and efficient. Discussion was held on Governing Body element #5 “ensure that the medical staff is accountable to the governing body for the quality of care provided to patients”. Specifically discussed was the Anesthesia services and quality reporting structure. The plan of correction to meet conditions will include Quality Council receiving reports from different departments on monthly basis and reports presented to Board Members at least annually. Mr. McCafferty has met with Anesthesia providers on standards specific to their area and members have agreed on identified plan of correction actions.

Discussion was held on the standard regarding contracted services, “the Governing Body has responsibility to ensure that the services performed under a contract are provided in a safe and effective manner”. Due to Joint Commission deemed status, CMS similar standards will be required. Mr. McCafferty explained that several audit methods are in place regarding the quality assurance performance improvement (QAPI) plan which will be presented at the full Board meeting tomorrow, May 2, 2012. Specific meetings with the Quality Department have occurred to discuss the future direction and job description for the new director. Mr. McCafferty noted the State plans to return within 45 days to verify compliance with plan of correction items. Communication with organized medical staff will occur based on necessity of compliance with standards. Charlotte Mather updated the Board Members on the findings from the root cause analysis (RCA) on the LMA process and will forward presentation from consultant summarizing the RCA. Further discussion was held on how RCA can help prevent future deviations from policy requirements and help form a more efficient and trustworthy reporting structure. LMA blood testing for identified patients was completed as of April 30, 2012. Approximately 180 people opted for testing with one known positive result which was a pre-existing condition. Ron Mischke commended everyone for steps taken to correct the process and kudos for staff.

Mr. McCafferty announced Sheridan Memorial Hospital is the recipient of the following three outstanding AVATAR Awards: exceeding patient expectations, best performer in exemplary service and HCAHPS best performer. Goals for achieving these high recognitions are consistently being raised with neighboring hospitals and SMH continues to excel. This information will be reported at the public Board Meeting on May 2, 2012.

Discussion was held on Medical Office Building (MOB) and continued conversations with stakeholder's specific to structure (2 or 3 floor design), size, square footage costs, parking, scope of services and other associated costs. Discussions have been held with Sheridan Orthopaedic Associates in regards to potential plans for an ambulatory surgical center for Ortho use in the MOB. Discussion was held on what practices would be housed at the MOB to include Big Horn Mountain Medicine, Big Horn Surgical, Big Horn Heart Center and potentially Big Horn ENT. This additional space of the MOB will support incoming primary care providers (four new physicians coming for Big Horn Mountain Medicine).

Ed Johlman, CFO, provided information on progress of major capital projects, associated with projected costs and how to best finance the projects. Goals remain to keep our Debt/Equity ratio below 10% and to maintain a minimum balance of \$10M in our Capital Replacement Reserve Fund. Mr. Johlman will continue to update the financial information related to the costs of defined projects and provide the Board with appropriate information. Mr. McCafferty will ask TSP about the dollar amount per square footage for design/build. Building Committee will meet and then present the full Board information to consider as it becomes available.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 12:00 noon.

Recorder,
Roxanne Araas

Michael Strahan, M.D., Secretary