

**BOARD OF TRUSTEES
JANUARY MEETING MINUTES
WEDNESDAY, JANUARY 6, 2010 3:00 P.M.**

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

MEMBERS ABSENT: None

CALL MEETING TO ORDER

Harlan Rasmussen called the meeting to order at 3:00 p.m.

APPROVAL OF MINUTES

The minutes from the November Board meeting, held on December 2, 2009 were reviewed. A motion was made by Randy Bomar to approve the minutes; Dixie See seconded the motion and motion carried.

Meeting minutes for the special meeting held on December 10, 2009 were reviewed. Ron Mischke made a motion to approve the minutes; Bill Huppert seconded the motion and motion carried.

PUBLIC COMMENTS, INTRODUCTIONS

None.

QUALITY COMMITTEE REPORT

During the Quality Committee report, Randy Bomar reviewed the scorecard information. Mr. Bomar reported that they are working on the Quality Section for CHF (Congestive Heart Failure). Dr. Hanebrink determined that the fluctuation in scores could be due to how the documentation is being documented. He will report on changes being implemented at the next meeting.

Discussion on the HCAHPS chart indicated the following areas that are struggling: Communications about Medications, Communications with Physicians, and Communications with Nurses which have had a steady decline for a few months.

Communications about Medications –Pharmacy staff has committed to the following improvement plan and Pharmacy staff will see new admits and upon discharge provide teaching services from 8:00 a.m. – 4:00 p.m. Nursing is recommitted to teaching on new medications. Both Nursing and Pharmacy will re-group to understand their respective roles. Lajune Bacon provided updated 90-day charts illustrating Communications about Medications scores since September. She is proud of what has been accomplished. Ms. Bacon also distributed AVATAR HCAHPS questions and explained the delay of time for information being received. She is working with IT to see if surveys could be sent more

often to decrease this turn around time. Gary Miller stated that he appreciates having the percentile ranking charts so that it is easy to track changes and to be able to fix any issues.

Communications with Physicians - Dr. Hanebrink is committed to improving the Communications with Physicians. He is writing articles for the monthly Physician Connection newsletter, which all physicians and Board Members receive electronically. In the last newsletter, the survey questions that patients are asked regarding this standard were included.

Communications with Nurses – Ms. Bacon reported on Communications with Nurses. She reported that our VHA Rapid Adoption Network project includes mapping out communication during admission process to make sure the message is consistent throughout treatment. She reported that the team is making improvements in that area. Ms. Bacon explained that instead of using smile training they are using the “A. I.D.E.T.” program (Acknowledge the patient; Introduce yourself and co-workers; Duration-communicate how long preparation, tests/results, and waiting times will be; Explanation - explain what you are doing, medications, side effects; and say Thank You to patient and families). The AIDET posters will be placed in patient care areas and routed to managers.

MEDICAL STAFF REPORT

Dr. Hanebrink gave a year-end summary and feels the medical staff is in great shape. During the year they participated in the Joint Commission survey, completed needs assessment, held several meetings with good attendance, provided credentialing education, saw expansion in the surgery department, numbers keep getting better for surgery and length of stay is down. He felt that it was a successful year. Dr. Hanebrink will be making some medical committee changes this year and will be providing training to new staff. He gave his thanks to the Board for their guidance and support. Mr. McCafferty recognized Dr. Hanebrink for his time commitment and dedication as Chief of Staff and looks forward to working with him again this year.

Discussion on the agenda item “Recognition of New Profession” was postponed.

ADMINISTRATION REPORT

Mike McCafferty provided an update on the exploration of the development of a new Cancer Center. In August, the Board of Trustees approved the retention of the Oncology Management Consulting Group (OMCG) to provide oncology revenue cycle review as well as a business plan for future growth. Mr. McCafferty invited LaNora Dixon, Program Development Manager, to report on the status of events and timeline updates on progress with the development of the Business Plan for the cancer care in this community. She also reported on the future expansion of cancer care services. Mrs. Dixon reported that the deliverables in the OMCG agreement included two phases. Phase I included revenue cycle review of both medical oncology and radiation oncology. The anticipated completion for

Phase I was 4-6 weeks. Phase I was completed in the first week of October. Phase II of the project was expected to be completed in 5-7 weeks. This phase began in the latter part of October and we expect audits for revenue cycle review. We have also received their recommendations. We are in the first step of Phase II with the completion of review of the Book of Business that is compiled based on a request for internal data by OMCG. We have engaged the Finance Department and Administration in discussions with the consulting firm to ensure that information in the Book of Business is accurate. We have been thoughtful in our approach to verify this information prior to the completion of the business plan and Proforma projections. A draft of the Proforma format and the assumptions will be reviewed prior to business plan completion. We will conduct a rigorous validation process so that when the information is presented to the Board, it is done so with a high level of confidence. Randy Bomar asked when we will get back to CTA. LaNora Dixon stated that we have been keeping them informed of progress with the consulting process, and that we would expect to report the results of the consulting process to the Board with recommendations to approve any plan of action for further development. Mr. McCafferty stated that we are being thoughtful before moving forward with this community endeavor and that the Foundation also will be engaged in the evolution of this development. We will exercise due diligence in the evaluation and verification of the business plan projections.

Mr. McCafferty reported that recruitment for physicians at Sheridan Memorial Hospital is ongoing. Currently we have an ENT who might be interested in relocating to Sheridan and he will keep everyone updated.

Harlan Rasmussen discussed the value of Board education and the importance of training to assist members to understand expectations and to have a better grasp of the challenges healthcare leaders are facing at home and on the national level. Mr. Rasmussen further explained that Board education has been provided annually and the opportunity to attend is rotated among the members. This year, two members will attend a Leadership Conference from Feb 20-25, 2010. Mr. Rasmussen recognizes that those attending will be expected to give a report and share materials when they return. Training dates fall during the regularly scheduled February Board Meeting. Therefore, discussion was held on an alternative date to hold the meeting and by consensus the February meeting will be held on March 3, 2010.

FINANCE COMMITTEE REPORT

The Capital Equipment request came from Finance for COGNOS (Power Play) Reporting Software. Ed Johlman provided an overview and explained that while this software is something for the Finance Department this reporting tool will benefit the whole hospital as department managers and additional key persons will be able to access reports from either outside or inside the hospital. This is a budgeted item and is a web-based reporting software system that improves the efficiency of reoccurring reports including stats and financial performance information. The estimated purchase price is \$43,000 and it is anticipated that this upgrade will save approximately three days per month plus an

additional week annually, of Accounting Department time. Cost savings could be approximately \$6560, annually. Dr. Strahan asked if we were going to stay with our current Keane system. Nyle Morgan explained that is yet to be determined but that this is IBM software that sits on top of what we have and is not an addition to our Keane system and could be used with our next operation. Mr. Morgan continued with a brief report that we are on track with our IS Strategic Plan and that we have a three-year window of time to take advantage of the stimulus money for new EMR systems for hospital and physicians. Mr. Johlman stated that this is a powerful tool for Finance and is stand alone software that can be used now and in the future. Harlan Rasmussen noted that this request had gone through the appropriate committees and that the software upgrade is a collaborative process that will allow departments to provide quality patient and family experiences that will help us achieve our vision. Bill Huppert moved to approve the purchase of the reporting software; Gary Miller seconded the motion. After no further discussion the motion carried.

Gary Miller reported that the Finance Committee met today and had a good discussion on November operating results. Mr. Johlman stated that November was a strong financial month compared to last year. Net income for the month was \$459,000 and year to date total net income is \$1.6M. Mr. Johlman explained that the increased revenue per admission with lower length of inpatient stay is key to our financial success to date. The lower length of stay has also improved our contractual write-offs. Mr. Miller added that our rate increase this year was only 2.5% which is below national average. Gross revenue for the month was over \$8.5M and inpatient revenue posted its highest total of \$4.3M. Expenses were over budget primarily from salaries and supplies. Contract labor and total write-offs continues to be under budget. Mr. Miller presented information that the Mayo Clinic in Glendale, Arizona had stopped taking Medicare as payer because they could not afford financially to continue treating Medicare patients for what is being paid under current pricing system. Mr. Johlman also noted that an additional \$1M was moved into our Capital Replacement Reserve Account.

FOUNDATION REPORT

Foundation President, Gene Davis, reported in the absence of Foundation Director, Ada Kirven. Last month it was reported that the Foundation had raised \$165,000 at the Pink Link event for Digital Mammography Equipment. On December 10, the Foundation held the 6th Annual Partner Breakfast, and employee Partners voted to contribute just over \$28,000 towards the campaign goal of \$250,000. Mr. Davis announced that currently there are 390 hospital employees participating in the Partner Program. This contribution along with a verbal commitment for \$25,000 leaves approximately \$32,000 to complete the campaign. The Foundation Benefit to be held on April 17 will also raise funds for Digital Mammography. Gene Davis noted that this year's Benefit will have a different format and more details will be provided soon. Harlan Rasmussen expressed how proud the Board is of our employees and how grateful they are for the Foundation's efforts to raise this amount of money for the community cause and gave thanks to all involved.

Mr. McCafferty recognized Dr. Strahan for providing meals for all staff working the holidays both at Thanksgiving and Christmas. Dr. Strahan has been committed to doing this for several years and the staff is very appreciative of his generosity.

BUILDING COMMITTEE REPORT

Rob Forister reported meeting yesterday with the Building Committee. He stated that the majority of building construction at Big Horn Mountain Medicine is complete and patients are enjoying the remodeled space. An open house is being planned for the community at the end of the month.

The hospital Lab project remains on schedule and the flooring is currently being installed with specialized, chemical-resistant tile. The move is being planned for the first week of March and is being coordinated with manufacturers to move equipment. Randy Bomar stated that the committee toured the lab and that the area looks great and is a tremendous upgrade from what we have and encouraged everyone to see it. Pharmacy remodel is about three weeks behind schedule due to asbestos-abatement clean up. They are roughing in the area and with the help of sub-contractors should be able to get back on schedule soon.

Mr. Forister reported that the Building Committee will be coming to the Board of Trustees with capital facilities projects in the near future. They have started the process and will be meeting with managers to discuss possible projects and priorities of projects based on service delivery needs. After the priority of projects is defined, he will bring a report to the Building Committee and then to the entire Board. Rob Forister mentioned the MDU proposed rate increase could raise our energy costs at least \$100,000 per year and that he plans to attend the public meeting to be held next month.

Harlan Rasmussen asked about security measures within our facilities. Rob Forister stated that a risk assessment was recently completed and that both Women's Health and Peds is a locked down area with a keyless entry. Anyone entering or exiting the department must have an ID card or the nurse must push a button to unlock the door to allow access both in and out. His department is in the middle of site wide security risk assessment with the Emergency Department and Women's Health as top concerns.

OTHER BUSINESS

Peggy Callantine recognized Linda Benth, Iris Hehn, Jennifer Gripp and Leesa Belus on the recent completion of their MSN Degrees.

ADJOURNMENT

The public meeting reconvened after executive session. There being no further business to come before the Board, the meeting adjourned at 5:00 p.m. with the next meeting scheduled to be held on January 27, 2010.

Recorder,
Roxanne Araas
Dixie See, Secretary