

**BOARD OF TRUSTEES  
MARCH MEETING MINUTES  
WEDNESDAY, MARCH 24, 2010 3:00 P.M.**

**MEMBERS PRESENT:** Harlan Rasmussen, Dixie See, Bill Huppert, Dr. Michael Strahan and Randy Bomar

**MEMBERS ABSENT:** Gary Miller and Ron Mischke

**CALL MEETING TO ORDER**

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

**APPROVAL OF MINUTES**

The minutes from the February Board meeting, held on March 3, 2010 were reviewed. A motion was made by Dr. Strahan to approve the minutes; Dixie See seconded the motion and the motion carried.

**PUBLIC COMMENTS, INTRODUCTIONS**

None

**QUALITY COMMITTEE REPORT**

Randy Bomar reported that they are happy to see the December and January HCAHPS scores showing upward trends, regarding Communications with Doctors. Lajune Bacon was encouraged with the Quality Project, which is being coordinated by Nyle Morgan. The project maps out all the steps in the medication order through administration. Every step of the process is reviewed to find areas where we can improve efficiency and to enhance the patient experience. To date, they have had good success and have physically walked through the process and are making committee assignments on areas of concern, including Communication about Medication. Scorecard core measures were all greater than 90% for the month of February.

**MEDICAL STAFF REPORT**

Amy Mehlhaff, Medical Staff Coordinator, reported in the absence of Dr. Hanebrink, on the proposed amendments to the Medical Staff Bylaws. The recommendations were presented by the Medical Staff in regards to membership category revisions. Currently, Medical Staff are divided into Honorary, Active, Courtesy and Consulting staff categories and the proposed amendment change is to eliminate the Courtesy Staff membership category. The

physicians that are in this category have formally requested transfer of membership to either Active or Consulting status, based on their practice habits at Sheridan Memorial Hospital. There were also additional revisions to the Medical Staff Bylaws in order to clarify responsibilities to the remaining Active and Consulting Staff membership categories. The amendments have been recommended by the Bylaws Committee, the Medical Executive Committee and the Medical Staff. Mr. Rasmussen called for a motion, since there were no other subsequent changes. Randy Bomar moved to eliminate the Courtesy Staff membership category from the Medical Staff Bylaws as recommended by the Medical Staff; Dixie See seconded the motion. Motion carried.

### **ADMINISTRATIVE REPORT**

Mike McCafferty stated that good discussions were held during recent strategic planning meetings with Sheridan Memorial Hospital employees, volunteers, community members, and County Commissioners. Information from the sessions will be compiled and presented to the Medical Staff. The findings will be used to help determine direction and priorities in future planning for the hospital and community needs. After the Medical Staff planning session, results will be presented to the Board Members for setting the 2011-2014 Sheridan Memorial Hospital Strategic Plan. The Strategic Objectives identified in the 2007-2011 strategic planning process continue to be achieved as evidenced by the recruitment of a Psychiatrist. We continue to explore growth opportunities in specialty services consistent with strategic initiatives such as plans associated with Cancer Center services. The Oncology Management Consulting Group provided us with a feasibility study to research business viability for the future of cancer care services in our community. We have completed an internal validation study on the information received from the group. Mr. McCafferty recommended moving forward by getting estimates for conceptual design and construction of a cancer center that would support medical radiation and the oncology needs of our community. Mr. McCafferty continued with his recommendation to re-address the designs with CTA Architects and KWN Construction to pursue working with them to obtain good solid cost estimates for the cancer center. The design plans would be for a 12-15,000 square foot cancer center located on the west campus of the hospital property. This building would serve as additional medical office and clinical treatment space and as an addition to the existing radiation linear accelerator vault, CT imaging space, and exam room facilities to support both the radiation and medical oncology practice growth. Connected to this space or design process we would like to also pursue conceptual design processes for medical office space, given the fact that we have out grown the medical practices of Big Horn Surgical and Big Horn Mountain Medicine. Mr. McCafferty further stated that there are other physicians interested in being on campus and it is important to have space available for growth that would sustain future development of practices that would support primary care. Mr. McCafferty recommended a 30,000 square foot medical office building adjacent to the Cancer Center that could house 12-15 medical providers over the next several years.

Board discussion continued and they verbalized understanding the importance of the recommendations relative to the organization's strategic direction in development and

support of primary care providers and the support of our community medical providers in providing access to quality healthcare to meet the needs of our community. The consensus was that opportunity exists to take a leadership position in the support and provision of primary care services in the community. Discussions will be held at medical staff meetings and other planning work sessions, to see if this is sufficient space. Randy Bomar stated that the MAC is 32,000 square feet and that it is currently fully occupied and that the additional 30,000 square feet office is a good number to start with.

After discussion, Harlan Rasmussen stated that it was the consensus, with the amount of Board Members present, that they would like for Mr. McCafferty to pursue getting specific designs and cost proposals to be considered for developing the Cancer Center practice and new Medical Office facility. Mr. McCafferty noted that moving forward, after we get specific numbers, he will ask for involvement from the SMH Foundation.

Mr. McCafferty discussed Urgent Care and stated he feels that it might be time for the hospital to pursue further development of this business line. Mr. McCafferty would like to pursue the concept and bring back financial feasibility projections for discussion. Discussion continued on possible locations, building cost, operating models and financial investment costs. Mr. McCafferty expressed that Urgent Care provides opportunity for affordable, high quality service that supports our desire to create a foundation for primary care in this community along with internal medicine and that we are confident that we can provide accessible quality healthcare to meet urgent care needs in our community. Mr. McCafferty indicated that an Urgent Care Clinic would potentially be staffed 7 days a week for 10 hour days with a Family Practice physician and Physician Assistants at a more affordable cost to patients, than Emergency Department services and competitive to other providers. The urgent care service may, then, optimize the appropriate utilization of emergency medicine services. Mr. Rasmussen noted that the Board is in support of pursuing the idea of the concept and asked for specific proposals to be brought back before the Board.

Dr. Michael Strahan made a motion for Mr. McCafferty to move forward with securing plans and estimates associated with Cancer Center, Urgent Care and Medical Office Building to bring back to the Board for consideration; Randy Bomar seconded the motion. Noting that all of these services fall under the current hospital's strategic plan, the motion carried.

Mr. McCafferty reported on the recruitment of Psychiatrist, Dr. Mark Walter. Dr. Walter currently resides in Cheyenne. He will start July 1, 2010 as an employee of Sheridan Memorial Hospital. The hospital will be starting a practice in support of him.

Board of Trustees briefly discussed the ramifications of the health care reform bill and Mr. McCafferty stated that it is still too early to understand the impact of reform legislation, on the hospital. Mr. McCafferty said as an organization and part of a network of hospitals we can only anticipate what it might mean but there are a lot of unknowns. We will continue to find ways to be efficient, while providing the same level of quality for the patients with the understanding that we may receive less payment from insurance companies. Mr. McCafferty explained the RAC program and that the hospital is doing 100% chart audits on Medicare patients and we have provided extensive training over the last few months to mitigate impact of incomplete orders.

## **FINANCE COMMITTEE REPORT**

Bill Huppert reported that the Finance Committee met today to review vouchers and all were approved. February financials were reviewed and total revenues were below budget by \$748,000. February finished with net operating income of \$12K and a net income of \$83K. Mr. Huppert noted while the month was still positive, if inpatient revenue continues downward we could see a reduction of the YTD Net Income as the year continues. Expenses were high in benefits and supplies. There is a \$1M bond payment due in May.

Mr. Huppert presented the following capital equipment requests:

- Therapy Source – Budgeted Item, Cost of \$50,000 requested by Tony Smith, Wyoming Rehab Manager. Therapy Source is an EMR software package designed to meet the needs of OP rehab clinics by streamlining and automating clinical and financial process to improve overall efficiencies. Software will optimize therapist time through efficient scheduling, improve documentation and accelerate our billing cycle allowing therapists more time to spend with patients and less time on paperwork. Bill Huppert explained the financial value of the software for Wyoming Rehab would be to help to reduce denials and scheduling mishaps. Tony Smith thanked the Board for listening to his request. Mr. Smith stated that they had looked at several software systems but this was the best fit for documentation enhancement and decrease denials as this system has diagnosis codes included and the potential for RAC audits to be reduced. Mr. Smith explained that their current scheduling software is not good for recurrent visits, time consuming and easy to make mistakes which is disturbing to both patients and staff. Each therapist will have a tablet for point of care service and can be set up for personal computer. The \$50,000 includes tablets, but if we need more, they will be ordered during the next budget year as minor equipment. Mr. Morgan explained that the software is compatible with current hardware, connectivity with Wyoming Rehab and works with Greenway, everything under one system. Dixie See moved to approve the purchase of The Therapy Source for \$50,000; Dr. Strahan seconded the motion. Motion carried.
- Greenway – Hospital subsidy for physician Electronic Health Record a non-budgeted request for \$300-500,000. The purpose of subsidy is to take advantage of the Safe Harbor exceptions to the Physician Self-Referral Law and the Anti-Kickback Statute which now govern donations of electronic health record (EMR) systems from hospitals, health plans and other entities to physicians and community-based medical practices. Bill Huppert asked Nyle Morgan to discuss request for subsidy. Mr. Morgan explained that this allows hospitals to offer help for paying EMR software costs to local physicians up to 85% which will help physicians to put EMR in place in their office. These statutes will expire in 2013. Trustees discussed the mission of the hospital, which is to set the tone for health care and to support and build collaboration between our physician partners. This system will create a health care record that will provide a path to move health records between providers from one office to another, obtain lab results, orders, and help solve audits issues on orders and other requirements. Mr. Morgan requested \$150,000 for FY 2010 as a non-budget item. Randy Bomar moved to approve \$150,000 to be set aside for the

Hospital subsidy for physician Electronic Health Record system; Bill Huppert seconded the motion. Dr. Strahan recused himself. Motion carried.

### **FOUNDATION REPORT**

Ada Kirven, Foundation Director, thanked the members for their personal contributions to the Digital Mammography Equipment Campaign. The total gifts received from the Board of Trustees, towards the First Interstate Bank matching gift, was \$5,300. Mrs. Kirven reminded everyone of the Annual Hospital Foundation Benefit to be held on Saturday, April 17 and that those proceeds would also benefit the Digital Mammography Equipment Campaign and cancer care at Sheridan Memorial Hospital. Currently they have 35 sponsors with 4 at the major level. There are 400 tickets available. Thanks were also given to the Sheridan Memorial Hospital Managers who gave personal contributions to the campaign last fall. Mrs. Kirven invited the Board Members to attend a Foundation Employee Partner Celebration on Thursday, March 25 for cinnamon rolls from 7—9 am. The Foundation is helping coordinate the Hospital Garden plans for hospital employees and volunteers. The garden plots will be located on the north east corner of the hospital property and transformation of the grounds is already visible. Mrs. Kirven noted that Mr. McCafferty has talked with the Foundation Board and as time gets closer, they are encouraged and ready to go to work and help put together capital campaign project for cancer care opportunities within the community.

### **BUILDING COMMITTEE REPORT**

Dixie See reported that the Building Committee met on Monday to review and prioritize capital equipment projects.

### **OTHER BUSINESS**

Finance has requested that the July Board Meeting be moved from 7/28 to 8/4 due to fiscal year-end close process. Board Members were asked to check their schedules and let Roxanne Araas know if they were available to attend on that date. The change in date will be confirmed once it is determined that there is a majority of Board Members available to hold the July meeting on August 4, 2010.

Mr. Rasmussen gave thanks for the monthly Marketing Report. Mr. Rasmussen noted that Lee Ingalls, Manager of Home Health Care & Hospice, will be making a presentation on Hospice, at a Scottish Rite Masons function on March 27, 2010.

### **EXECUTIVE SESSION**

The public meeting moved into closed session for personnel matters and real estate discussion.

After the executive session, the public meeting was reconvened. There was discussion on litigations under personnel and real estate matters but no action to be taken in the public session.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 4:30 p.m. with the April Board meeting scheduled to be held on April 28, 2010.

Recorder,  
Roxanne Araas  
Dixie See, Secretary