

**BOARD OF TRUSTEES  
MAY MEETING MINUTES  
WEDNESDAY, MAY 27, 2009 3:00 P.M.**

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

**CALL MEETING TO ORDER**

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

**APPROVAL OF MINUTES**

The previous meeting minutes of April 22, 2009 were reviewed. After review, Randy Bomar made a motion to approve the minutes, Bill Huppert seconded the motion and motion carried.

**PUBLIC COMMENTS**

There were no public comments.

**QUALITY COMMITTEE REPORT**

Ron Mischke was not able to attend the May 21st meeting and Dixie See gave a report, noting some negative trends for the first time. Lajune Bacon noted that the overall score dipped a bit and may be, in part, based on the economy. Mrs. Bacon reported that the score for willingness to recommend Sheridan Memorial Hospital has gone up.

Randy Bomar asked how the surgical care improvement is measured. Lajune explained that it is measured by antibiotic – choosing the correct antibiotic before surgery, is it given within one hour of cut time, and is it discontinued within 24 hours after surgery, if no infection. Lajune said that the form had been redone to make it more user friendly and to assure complete documentation.

Departmental Scope of Care/Services - Lajune Bacon reviewed the Performance Improvement Departmental Scope of Care/Services for Sheridan Memorial Hospital with the Board. Dr. Strahan asked if the Department Directors and Department Chairman could be included and Lajune will see that this is done.

After review, Bill Huppert made a motion to approve the Scope of Care/Services, as amended, for the following departments. Dixie See seconded the motion and motion carried.

Anesthesia Services

Behavioral Health Services

Central Sterilization

Diabetes Education

Emergency Department                      Health and Fitness Programs  
Home Care/Hospice                      Infection Control

Departmental Scope of Care/Services (cont'd)

Intensive Care Unit                      Laboratory  
Medical Surgical                      Nursery  
Nursing Administration                      Nutritional Services  
Outpatient Cardiopulmonary                      Pediatrics  
Pharmacy                      Women's Health  
Quality Services                      Radiology  
Recovery Phase I and Phase II                      Respiratory Care  
Sleep Lab                      Surgical Services - Operating Room  
Physical Therapy & Speech Therapy/Occupational Therapy

Failure Modes Effects Analysis - Lajune Bacon reviewed the Failure Modes Effects Analysis for 2009 Medication Administration. All steps were reviewed as well as failure modes, failure causes and failure effects. Dr. Strahan asked that orders from physician offices be added as a step and Lajune will see that this is included.

**MEDICAL STAFF REPORT**

Dr. Hanebrink was not able to attend and the Board will review one Medical Staff privilege application in executive session.

**ADMINISTRATIVE REPORT**

Governance Training - Mike McCafferty reported that the Board attended a Governance training in Lander, WY in early May with speaker Jamie Orlikoff, President of Orlikoff & Associates, specializing in healthcare governance and leadership. Mr. McCafferty said it was a great opportunity to meet with our Board as well as other trustees in the state and asked for the Board's thoughts about the meeting

Harlan Rasmussen listed three specific points discussed:

The possibility of Medicare & Medicaid bundling - hospitals would receive a predetermined quantity of money and would need to work from this. Secondly, quality standardization, Mr. Rasmussen said that three hospitals have gone through the standardization process,

noting decreasing errors and offering guarantees and warranties. Thirdly, in the area of quality in surgery, all staff pause just before the surgery to look at the setting for anything out of the ordinary, adding another layer of quality care.

Randy Bomar said he felt it was a very worthwhile meeting, noting that Mr. Orlikoff was an excellent speaker and very engaging.

HPSA & Physician Recruitment - Mike McCafferty reported that recently Governor Freudenthal requested a Governor's Health Professional Shortage Area (HPSA) that makes it easier for certain areas of Wyoming to qualify for federal Rural Health Clinic status. Sheridan is one of seven areas that has a health provider shortage in primary care providers and is eligible to apply for this Rural Health Clinic status. This may mean assistance in physician recruitment to include loan repayment, etc. Mr. McCafferty said that when specifics are known, this information will be shared with the local physicians.

Cancer Center Prospectus - Mike McCafferty reported that the hospital is looking at how to best utilize the resources on the west campus and what the best approach is for the Cancer Center. The hospital is moving forward and are having discussions with consulting groups. A Medical Office Building attached to the Cancer Center is also being considered. Mr. McCafferty has been sharing information with the Hospital Foundation regarding development of the Cancer Center.

Physician Needs Assessment - The Board, at their April 1st meeting, approved Strategy House to conduct a community physician needs assessment. LaNora Dixon reported that on May 21st a large group of physicians participated in on-site interviews with representatives from Strategy House. There will also be a web based survey as well as phone interviews for those physicians who were not able to participate. The assessment will help the hospital define physician recruitment plans for upcoming years.

Harlan Rasmussen asked about the status of primary care recruitment. Mike McCafferty said that the hospital is pursuing two physicians who have expressed an interest in Sheridan. Dr. Strahan noted that there have also been discussions with physicians still in residency as well as Sheridan students current in medical school.

## **FINANCE COMMITTEE REPORT**

Financial Statements - Gary Miller reported that the Finance Committee met twice this week for review of the 2010 budget as well as April finances and noted that April was the 5th highest volume month ever reported. The hospital was below budget on revenue and a bit above on expenses.

2010 Budget - Ed Johlman said that the 2010 Budget was difficult to put together due to uncertainties of the economy. Meetings were held with all department managers and they were careful in projecting activity with less than 1% overall activity in the budget. Mr. Johlman said that a 2.5 percent price increase is proposed which is well under the national average.

Gary Miller gave a quick summary on the 2010 Budget, noting that Administration worked very hard on keeping expenses down. There was question regarding the noticeable difference in contract labor between the 2009 Budget and the 2010 Budget. Mike McCafferty explained that the hospital had previously not had individuals to meet the growth of their volumes, but the need to hire travelers as in the past has changed with increase in staff salaries, etc. The managers are also very conscious of the cost of travelers.

Dr. Strahan expressed concern about the 2.5 percent increase in patient prices, questioning if this will be a problem if expenses continue to increase. Mike McCafferty noted that physicians and staff have been very conscious of cutting back expenses.

The Board Members agreed that they would like to have another month to review the 2010 Budget and will approve at their June 24th meeting. Mike McCafferty said he will present in June an approximate 1.1M Capital Equipment Budget and these items will be prioritized.

Capital Equipment Requests – Two capital equipment requests were presented to the Board for approval.

Pharmacy Prescription Packager - Mike McCafferty and Pharmacy Manager, Kirsi Ludwig, presented information on the Pharmacy Packager at the April 22nd Board meeting. This is a budgeted item and total cost is \$44,000.00. Gary Miller made a motion to approve the Pharmacy Prescription Packager for a cost of \$44,000.00, Bill Huppert seconded the motion and motion carried. Mr. McCafferty said that he would provide information to the Board on what the cost savings will be with this new unit.

OR #4 Remodel - Mr. McCafferty noted that three of the hospitals operating rooms were renovated and a hold placed on the 4th room. In light of the hospital's decision not to build an Outpatient Surgical Center, the 4th operating room will be needed. Rob Forister explained that the ventilation system will be redone, new booms & lights and a video data system will be installed. The cost for the remodel is approximately \$400,000.00. Mr. Forister said that the hospital is not able to receive a firm bid because it is not known what added expense may occur when the ceiling is removed. Dr. Strahan made a motion to approve remodel of the 4th operating room with a budget not to exceed \$400,000.00, Bill Huppert seconded the motion and motion carried.

## **FOUDATION REPORT**

Mr. Gene Davis, Foundation President, reported that the Hospital Foundation has received short of \$1.2M in donations this year with a recent gift of \$366,000 in endowment for the Dialysis Unit from the Bob Bishop estate.

Over \$25,000 was raised at the recent Foundation Benefit and a check for \$7,551.43 for Diabetes Education Support was presented to the hospital.

Mr. Davis announced that Dr. Sy Thickman will be retiring from the Foundation Board after serving six years.

### **BUILDING COMMITTEE REPORT**

Dixie See reported that the new Dialysis Unit is now occupied, and the committee is working on prioritization of the capital facilities.

Mike McCafferty recognized Ed Johlman, Susan Novak, and Misty Snyder for the excellent job they did in working with all department managers on the 2010 Budget.

### **OTHER BUSINESS**

There being no further business the Board adjourned into executive session at 4:30 p.m.

The Board re-convened at 5:00 p.m.

Harlan Rasmussen reported that the Board reviewed one application for medical staff privileges. The application has been reviewed by the appropriate Medical Staff Committees as well as the Medical Staff Executive Committee.

Alan Thometz, M.D. - Dr. Thometz is requesting Consulting Staff privileges in the Department of Medicine, specializing in Cardiology. Ron Mischke made a motion to approve Dr. Alan Thometz for privileges as requested, Dr. Strahan seconded the motion and motion carried.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 5:05 p.m.

Recorder,  
Joanne Redder  
Dixie See, Secretary