

**BOARD OF TRUSTEES  
JUNE MEETING MINUTES  
MONDAY, June 30, 2008 3:00 P.M.**

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

**CALL MEETING TO ORDER**

Anthony Spiegelberg called the meeting to order at 3:00 p.m.

**APPROVAL OF MINUTES**

The previous meeting minutes of May 28, 2008 were reviewed. Ron Mischke noted one typographic error on page 2. After review, Harlan made a motion to approve the minutes as corrected, Dixie See seconded the motion and motion carried.

**PUBLIC COMMENTS, INTRODUCTIONS**

Dr. Davis Swan was in attendance and addressed the Board regarding his concern about the hospital's plans to build an outpatient surgical center. He felt it would be a duplication of services and equipment and felt there needs to be more efficient utilization of current services. Dr. Swan also questioned who was going to pay for this project. Anthony Spiegelberg thanked Dr. Swan for his comments and said these will be taken under consideration when the evaluation is done for this project.

**QUALITY COMMITTEE REPORT**

Peggy Callantine gave a report in Lajune Bacon's absence, noting that the Avatar scores are 89.5, which is one point ahead of last year. The committee is focusing on patient falls at this time and Anthony Spiegelberg asked what the Board can do to help in quality of care in these specific areas. Mike McCafferty said that the Board has identified key targets and shared a Press Release noting that the hospital's emergency department received a national award for exemplary service most improved loyalty and endorsement 2007 by Avatar. Harlan Rasmussen read the two key service outcomes of patient visits for emergencies (1) would patients recommend your medical center to friends and neighbors, and (2) would they return themselves if care is needed in the future. This award is based on significant improvement on hospitals' 2007 emergency surveys for loyalty and endorsement compared to 2006.

Ron Mischke explained that the Quality Council meet and closely review quality issues. It was noted that since the VHA superior performance initiative, the makeup of the Quality Council has changed, and the Avatar scores help the hospital continue to provide quality patient care.

## **MEDICAL STAFF REPORT**

Dr. Brad Hanebrink, Chief of Staff, reported that he attended a State Medical Society Meeting in Jackson, Wyoming and discussion of a flu epidemic at a national level was addressed.

The Quarterly Medical Staff Meeting was held in June and proposed amendments to the Medical Staff Bylaws, Rules & Regulations were reviewed and approved. These proposed changes were presented to the Board of Trustees for approval. The changes include changing Independent/Dependent LHCP to "Affiliated Health Care Professionals"; Change in the requirement for sponsoring physicians, they will need to have active staff status; extending Locum Tenens re-credentialing period from 30 days to 120 days, addition of a Credentials Committee and a change in verbiage for History & Physicals from "cancelled" to "postponed".

After review, Ron Mischke made a motion to approve the proposed amendments to the Medical Staff Bylaws, Rules & Regulations, Bill Huppert seconded the motion and motion carried.

Anthony Spiegelberg said that he would like the Board to continue their level of involvement with the Locum Tenens physicians and sign off on their approval documents. Mr. Spiegelberg also asked that the Board be involved with the newly formed Credentials Committee. Dr. Hanebrink felt this was a good idea.

Dr. Hanebrink, on behalf of the Medical Staff, thanked Anthony Spiegelberg for his work as a member of the Board of Trustees.

Dr. Hanebrink noted that there are some credentials to be reviewed in executive session.

## **ADMINISTRATION REPORT**

**Forward Sheridan** - Mike McCafferty reported that Dick Weber, Chairman of Forward Sheridan Board of Directors, sent a letter asking if the hospital would consider continuation of their investment in Forward Sheridan with an additional \$10,000 for fiscal year 2007-08.

The Board of Trustees approved financial support of \$10,000 for the 2006-07 fiscal year and agreed to re-evaluate before making a decision for additional financial support. The Board asked Mr. McCafferty if he would invite Mr. Philippe Chino of Forward Sheridan to give an update to the Board at their July meeting.

**Multi-Use Facility** - At the May Board Meeting, the Board authorized Administration to explore the conceptual design, costs, funding strategies, and associated documents for a cancer center and surgery center. Mr. McCafferty said that a Project Management Team has been formed to look at the development of new services and growth in the community and shared a few different options with the Board.

1. Grow the Cancer Center
2. Partner with local surgeons in an outpatient surgery center venture.
3. Look at an off-site or on-site free-standing surgery center
4. Build a multi-use facility

Mr. McCafferty asked Ed Johlman to focus on options 3 & 4 and Mr. Johlman presented the Board with costs, financing options, as well as a Surgery Center Impact Analysis. Mr. Johlman explained that costs for building a free-standing surgery center would be approximately \$5.8 million and \$19.6 million to build a multi-use facility.

Mike McCafferty said that it is important to be part of the growth venture with our physicians to make sure we have the capability to take care of the community's needs. Harlan Rasmussen noted that one of fundamental changes in development of health care is that less and less is required in the hospital and if these services can be provided more efficiently, then it makes good sense to anticipate becoming part of this. Mr. McCafferty stated that the Hospital Foundation would help in the fundraising. The Board asked Ed Johlman for some additional information for options 3 & 4 and all members are in favor of moving ahead.

Mr. McCafferty will come back to the Board with options for further discussion.

**Primary Care** - Mike McCafferty shared with the Board the hospital's plan for adult primary care. Mr. McCafferty said that in September, 2006 primary care was defined as a strategic priority and a Hospitalist Call Group was formed to cover for adult patients who have no primary care physician. Within the last month, Mr. McCafferty was notified that two primary care physicians will be leaving their practices by the end of the summer, both are in solo practice. Losing two physicians puts a strain on the additional primary care physicians to provide the care. Mr. McCafferty explained that recruiting physicians is much different than years ago. Physicians want more quality of life practices, with a limited call schedule, guaranteed salary, outpatient or inpatient only, and to be employed by the hospital. A meeting was held this past Friday regarding primary care strategies and Mr. McCafferty said the hospital needs to take a leadership role to assure that our community has primary care.

Mr. McCafferty said that two outpatient Internists will be recruited to an office group practice with Drs. Hunter & Strahan as the nucleus. The hospital will help with the recruitment, moving costs, sign-on bonus, income guarantee, but the outpatient Internists will not be employed by the hospital. Dr. Strahan explained that he and Dr. Hunter will hire the two new Internists and will hire Dr. Niethammer's Physician Assistant and Dr. Snyder's Nurse Practitioner.

Secondly, the hospital would like to explore the development of an inpatient Hospitalist Program with the plan to hire 3-5 Hospitalists over the next two years. Mr. McCafferty said that an inpatient Hospitalist Program will give the hospital the ability to better carry out their core measures as well as have a cost savings in standardization of drugs. The hospital will employ the inpatient side (Hospitalists).

Mr. McCafferty requested approval to move forward with the office group model and for Sheridan Memorial Hospital to assist in recruitment of two outpatient Internists to join Drs. Hunter & Strahan. Harlan Rasmussen said he supports this concept.

After further discussion, Dixie See made a motion authorizing Administration to move forward with assisting Drs. Hunter & Strahan in their efforts to recruit two outpatient

Internists. Harlan Rasmussen seconded the motion and motion carried. Dr. Strahan abstained.

Mr. McCafferty requested authorization to explore the development of an inpatient Hospitalist Program. Over the next two years, the hospital will work with community physicians on how many physicians are recruited and it may take two years to hire three hospitalists physicians.

Gary Miller made a motion to authorize Mike McCafferty to explore the development of an inpatient Hospitalist Program, Dixie See seconded the motion and motion carried.

This is Anthony Spiegelberg's final meeting as a Hospital Board Member and Mike McCafferty personally thanked Mrs. Spiegelberg for his years of service on the Board and for his calm, steady, thoughtful leadership.

Anthony Spiegelberg welcomed Randy Bomar who will begin his term on the Hospital Board July 1st.

### **FINANCE COMMITTEE REPORT**

Financial Statements - Gary Miller reported that the Finance Committee met today mainly to review the capital and operating budgets for fiscal year 08-09. Mr. Miller reviewed the financial statements, noting that May was a reasonably good volume month for the hospital.

Capital Budget – Gary Miller reported that the Capital Budget was reviewed item by item in the Finance Committee Meeting and Ed Johlman noted that all items will still be presented to the Board before purchase as a pre-approved budget item

Operating Budget – Ed gave an overview of the Operating Budget, noting that accountabilities are built into this with department managers. Mike McCafferty said that the hospital's budget process holds people accountable and said managers should be commended. Harlan Rasmussen noted \$2.4 million in the budget for charity care.

Gary Miller made a motion to accept both Capital and Operating Budgets, Bill Huppert seconded the motion and motion carried.

Gary Miller thanked Anthony Spiegelberg for the excellent work he did while serving on the Hospital Board.

### **FOUNDATION REPORT**

Tom Ringley reported that the Foundation held their annual meeting on June 24th. Frank Boley, Karen Miller, Delphine Toner and Kathy Strahan were honored for their six years on the Foundation. Rick Rossa is the newest member of the Hospital Foundation.

Mr. Ringley shared the list of Foundation Board Members:

Gene Davis, President; Kevin Bailey, Vice President; Debbie Iverson, Secretary; Seymour Thickman, M.D., Treasurer; Mary Gwen Brayton, Member; Mike McCafferty, Member;

Everett Mohatt, Member; Tom Richards, M.D., Member; Rick Rossa, Member; Dixie See, Member. It was noted that one member is still needed.

Mr. Ringley reported that the Foundation raised over \$1.19 million last year with direct support to the hospital of a little over \$1 million.

### **BUILDING COMMITTEE REPORT**

Dixie See presented one action item to the Board. Rob Forister explained that the Gambro Water System for Dialysis is a water filtration system which uses heat disinfection instead of chemical. Mr. Forister said that other systems have been reviewed, but this is the best system for the patients. The cost is \$77,110.

Dixie See made a motion to approve the purchase of the Gambro Water System for Dialysis, Harlan seconded the motion and motion carried.

### **OTHER BUSINESS**

**Nominating Committee** - Dixie See made a motion on behalf of the Nominating Committee for nomination of the following officers. Dr. Strahan seconded the motion and motion carried.

Harlan Rasmussen- Chairman

Ron Mischke - Vice Chairman

Dixie See - Secretary

Gary Miller – Treasurer

The Board then adjourned into executive session at 5:35 p.m.

The meeting re-opened at 6:25 p.m.

The Board reviewed credentials of the following individuals in executive session. Both applications have been approved by the Medicine & Medical Executive Committees.

**Michel W. Skaf, M.D.** - Dr. Skaf is requesting Consulting Staff privileges in the Department of Medicine specializing in Cardiology. After review, Harlan Rasmussen made a motion to approve Dr. Skaf for privileges as requested, Dr. Strahan seconded the motion and motion carried.

**Amber Robbins, M.D.** - Dr. Robbins is requesting Consulting Staff privileges in the Department of Medicine specializing in Dermatology. After review, Harlan Rasmussen made a motion to approve Dr. Robbins for privileges as requested, Bill Huppert seconded the motion and motion carried.

In the last item of business, the Board accepted Mike McCafferty's new employment contract & salary and other matters will be negotiated by the Executive Evaluation Committee and brought back to the Board.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 6:40 p.m.

Recorder,  
Joanne Redder