

**BOARD OF TRUSTEES
AUGUST MEETING MINUTES
WEDNESDAY, AUGUST 25, 2010 3:00 P.M.**

MEMBERS PRESENT: Harlan Rasmussen, Ron Mischke, Bill Huppert, Gene Davis and Dixie See.

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

Others Present: Mike McCafferty and Brad Hanebrink, D.O.

CALL MEETING TO ORDER

Ron

Mischke called the meeting to order at 3:00 p.m. New Board Trustee, Gene Davis, was introduced and welcomed.

APPROVAL OF MINUTES

Harlan Rasmussen noted that the capital equipment agenda item was for confirmation only and did not require action as there is no change from what was approved during capital budget process.

The minutes from the July Board meeting, held on August 4, 2010 were reviewed. A motion was made by Dixie See to approve the August 4, 2010 minutes along with the change made to the August 25, 2010, agenda which was noted by Mr. Rasmussen. Bill Huppert seconded the motion and the motion carried.

OLD BUSINESS ITEMS

Both the Affirmation of Conflict of Interest and Confidentially Agreements were distributed to be completed by all Board Members. Mr. Mischke explained that after the forms are completed and returned, they will be copied and presented to all members for their review of any potential conflict of interest. The current Affirmation of Conflict of Interest form will be reviewed and researched as to what other facilities use and discussed at a future time.

PUBLIC COMMENTS, INTRODUCTIONS

County Commissioner, Tom Ringley, presented the original hospital floor plan to Rob Forister, SMH Facilities Manager, to be maintained with other hospital archives. The floor plan was recently discovered at the Sheridan County Court House.

QUALITY COMMITTEE REPORT

Lajune Bacon distributed HCAHPS information sheets and explained that data is being reported quarterly and includes both scores and percentile. Rating percentiles are compared to other hospitals that use AVATAR. One area of focus has been on “Communication about Medication.” Ms. Bacon reviewed the graph with the group making note of progress made. The blue line indicates our organization score based on returned surveys. The pink line indicates how SMH compares to other hospitals. Ms. Bacon explained that not all outpatients receive a survey that it is done on a random percentage. Both the Pediatric and OB departments hand out their surveys, in an effort to increase the number of returns for these areas. Ms. Bacon noted that we will be looking at more core measures for the next year; two were dropped and more added. Harlan Rasmussen discussed the employment ratings and questioned if we established the right standard or if we need to do something that makes the standard more meaningful. Mike McCafferty clarified that the turnover target numbers are dictated by the Superior Performance Initiative of VHA. Twenty-five hospitals use that same standard. Mr. McCafferty further explained that the twenty-five hospitals agree those are the targets that we need to aim for. HR Director, Len Gross, explained that the VHA of the Mountain States are trying to find an objective measurement of engagement rather than turnover standard. They are struggling to find a number and how to quantify engagement. It is a difficult task with lots of discussion but no answer. Some of the turnover figures for SMH could be contributed to community economy factors; however, the first-year turnover is the one data that is the most glaring. Mr. Gross stated that RN turnover is strong and near meeting the hospital goal. The first-year turnover answers the question, “are we hiring correctly.” Mr. Gross feels that the goal of 5% should be attainable and that there are more things that we can do to impact that area.

MEDICAL STAFF REPORT

In the absence of Dr. Hanebrink, Amy Mehlhaff, Medical Staff Coordinator, presented the one credentialing request from Dr. Victor Ashear, who has requested Medical Staff membership and privileges at Sheridan Memorial Hospital. Dr. Ashear is requesting privileges in the Department of Medicine, specializing in adult and adolescent Psychology. Dr. Ashear currently practices as an independent practitioner at Dr. Batty’s office, providing assessment and psychotherapy to adolescents and adults with a variety of mental and physical health issues.

ADMINISTRATIVE REPORT

Chairman, Ron Mischke, presented a plaque of appreciation to Harlan Rasmussen and thanked him for his years of service on the Board of Trustees. Mr. Rasmussen was recognized for the outstanding job he has done during his three years of leadership as Board Chairman. Mr. Rasmussen has one year left on his second term.

Mr. McCafferty discussed growth overview of Sheridan Memorial Hospital, strategic planning and the meetings that have been held over the last six months in anticipation of current plan coming to end. The following projects that have been completed to date, which came from the 2007-2011 Strategic Plan were reviewed:

- Medical Office Building (Sheridan Radiology, Sheridan Lab, the medical practices of Dr Strahan, Dr. Gill, Big Horn Heart Center and Big Horn Surgical).
- Emergency Department expansion
- New Dialysis Unit
- Construction of new Lab
- Pharmacy remodel
- Psychiatry services with employed Psychiatrist
- Big Horn Surgical with 4 hospital employed Surgeons
- Cardiology services provided by Dr. Mike Brennan
- Cancer center to expand to include medical oncology
- Primary Care expansion
- Big Horn Mountain Medicine and employed physicians
- Updated 4 operating rooms

Mr. McCafferty explained that after reviewing the SMH Master Plan, reviewing the planned projects and noting the projects that have been completed or are in the process of being completed, a great deal has been accomplished. He will be meeting with the Building Committee and Leadership, in the near future, to look at the Master Plan to review or reprioritize the plans based on local, national trends, what effects hospitals, physicians, and community needs. Based on the feedback received, we will develop a well defined list of priorities and future needs of the community and hospital that might affect the way we do business. More will be shared within the next couple of months.

Bill Huppert asked if Mr. McCafferty has met with Dr. Brennan to discuss potential to expand relationship to a long-term opportunity. Mr. McCafferty stated that the community has a definite need, the expectation was underestimated and the service has a very promising future. Ron Mischke thanked Mr. McCafferty for his report and vision and applauded the staff for the accomplishment of all tasks. He also noted that all projects or expansions tie to the mission statement of Sheridan Memorial Hospital in meeting the needs of the community.

Mr. McCafferty introduced Executive Director, Jay Stender, and Dick Weber, Board President, of Forward Sheridan. Mr. Stender explained that Sheridan Memorial Hospital has been a past contributor of Forward Sheridan and offered his appreciation for that. Mr. Stender and Mr. Weber were in attendance to give their annual report, including accomplishments, challenges, opportunities and future plans of Forward Sheridan. A handout with specific information was presented to the Board.

The presentation included a request for a \$10,000 investment toward Forward Sheridan's "Focus on the Future" campaign. Mr. Stender made the presentation in behalf of the Board of Directors of Forward Sheridan. He explained that Forward Sheridan's operations are focused essentially on existing business and relationships that exist between City and

County of Sheridan. Mr. Stender discussed the effective use of telemedicine and how it may help community members to stay at home and not travel for medical care. He also explained how this program would affect the economy of a community by taking care of patients at home and would provide more revenue for labs, physicians and hospitals. He further explained that this was a project that the State of Wyoming is interested in pursuing.

Mr. Stender explained that when Forward Sheridan is recruiting a business to come to Sheridan to live and work, part of their tour includes Sheridan College as well as Sheridan Memorial Hospital. Mr. Stender explained that these businesses have 6-8 employees and a community must have the ability to provide healthcare needs; it is an essential item in recruiting to improve economics of Sheridan County. Mr. Stender discussed an upcoming Biotech conference that will be held in Sheridan on September 16, 2010, and invited someone from the hospital to attend. The Biotechnology seminar is to introduce the economic potential to the rural west and to make biotechnology a part of our economic picture. Mike McCafferty thanked Mr. Stender and Mr. Weber for attending.

Mr. McCafferty asked if Mr. Stender could further explain the Telemedicine project and the role of Forward Sheridan. Mr. Stender explained that Apollo Telemedicine (Dr. Tom Richards) and Forward Sheridan proposed a Beta test between Sheridan Memorial Hospital and Cheyenne Regional Medical Center. As a result, the Beta test brought interest at the State level. A proposal is currently underway for providing telemedicine state wide.

Discussion was held as it relates to Title 25 (involuntary hold). This occurs when a patient comes into the hospital through the Emergency Department or brought in by police escort. The patient has to stay for 3 days at a cost to the County and State. This clinical need has been identified by Department of Health to evaluate if Telepsychiatry can be used for this type of audience. Forward Sheridan was given the opportunity to manage the project. The grant was funded through Wyoming Department of Health Division of Mental Health and Substance abuse and given to Forward Sheridan, Apollo Telemedicine, Ptolemy Data Systems and a Laramie subcontractor. Forward Sheridan received this 24-month grant from the State, which was signed on August 5, 2010. Mr. McCafferty noted that SMH agreed to be a Beta test site and they are using us to communicate with other hospitals.

Ron Mischke asked Mr. Stender to explain Forward Sheridan's budget and investors. Mr. Stender explained the funds are received from the City/County, majority is investor based and some public/private partnerships, but that business commitment is huge. Mr. Mischke thanked them for their time to come and provide education on the Forward Sheridan program. Mr. Mischke noted that the Board would defer vote today for additional time to consider their campaign request for \$10,000.

FINANCE COMMITTEE REPORT

Harlan Rasmussen reported that the Finance Committee met to review the financials for the month of July. In July, patient revenue exceeded \$8.5M and expenses were below budget, a strong start for the new fiscal year. Consolidated net income was \$390K.

Summary of activities showed that the Emergency Department had a strong month with revenue nearly \$1.2M.

Susan Novak, SMH Controller, explained the new arrangement of financial statements. Each month statement will include a Consolidated Statement of Operations (Income Statement) and Balance Sheet. The information provided on the consolidated statement will reflect both Sheridan Memorial Hospital (SMH) and Big Horn Health Network, LLC (BHNN) activity. In addition, individual Statement of Operations and Balance Sheet for both SMH and BHNN will also be provided. Mrs. Novak discussed how the information ties together and gave specific examples on how to read the material to provide more financial information for a better picture. Starting practices is a new venture for the Hospital. It is important that we monitor financial activity as it relates to these new ventures. BHNN includes: Big Horn Mountain Medicine, Sheridan Psychiatry and Big Horn Heart Center. It is a bulk report but individual information can be separated out. Income and Balance Sheets for each practice will be used as a tool to help practices achieve their outcomes.

Capital Equipment purchases were presented. Approved items from the FY2011 Capital Equipment list were for Information Systems and included: Firewall; Websense Email Security; and Cisco Unified Communications Upgrades. Information Systems Department has moved forward with the purchase of these items. Mrs. Novak explained that page 9 of the financial report provides information on what has been purchased during the year. The Board Members were reminded of the new process, that a one page information sheet would be provided for review when a purchase was being made. This information was to inform members when purchases were made and unless there was a price change of more than \$10,000, no action was necessary. These three items did not have request for additional funds and were provided for information only.

Harlan Rasmussen noted the increase in Accounts Receivable (AR) days but they were still under the 55- day target. The increase was attributed to summer month variances. All vouchers were reviewed and within budget.

FOUNDATION REPORT

Ron Mischke welcomed Foundation Directors Shirley Yager and Kevin Bailey to the Board of Trustees' meeting. Ada Kirven, Foundation Director, also noted that Trustee Bill Huppert will serve as the SMH Board Liaison to the SMH Foundation. Mrs. Kirven reported that the Foundation is funding \$12,000 for the annual maintenance fee for the PET software which is used for every patient during the admissions and dismissals process. In an effort to assist with important training opportunities, the Foundation also financially supports clinical education annually. Over the past several months, staff members have participated in training for specialized areas such as oncology and unit coordinating. These individuals are able to come back to the hospital and share information with other staff. Mrs. Kirven noted a recent distribution to the hospital which included new main lobby furniture.

Mrs. Kirven invited everyone to attend the 1st Annual Sheridan Memorial Hospital Foundation Golf Tournament on Friday, August 27, 2010 at The Powder Horn. Kevin Bailey,

SMH Foundation Board Chair, announced that an auction would be held during the SMH Foundation Golf Tournament. He explained that as another opportunity to raise funds, a dinner for 10 people would be auctioned off. Catering for the dinner will be provided by Big Horn Mountain Caterers. Mr. Bailey also welcomed Bill Huppert as SMH Board Liaison to the SMH Foundation Board.

Rob Forister was acknowledged for doing a great job as the organizer of the recent Annual Diabetes Duathlon. The event funds go towards the Diabetes Strip Assistance, a worthwhile program. Ron Mischke noted his appreciation for all the hard work and efforts made by the Foundation and their members.

BUILDING COMMITTEE REPORT

Rob Forister, Facilities Manager, announced that the Building Committee will be meeting tomorrow. Mr. Forister explained that the Welch Cancer Center expansion project is ongoing. The design team of KWN Construction and CTA Architects has presented preliminary designs to the staff of Welch Cancer Center. The designs were left for review, discussion and to obtain staff input. Input from the Welch Cancer Center staff will go into redesign and be brought back before the Board. OR #1 is close to being completed. Equipment will be installed within the last month. Mr. Forister stated that the MRI, located in the hospital, was at the end of its life cycle and was sold. The equipment had to be removed out through the store front. We are currently in the process of obtaining another MRI. It will be placed in the same location. The store front will be restored when the MRI is installed.

OTHER BUSINESS

Danae Brandjord, Marketing Director, announced that around 2800 people attended the hospital's annual blood draws. This number was about 400 less than last year. The draws were shortened from 10 to seven days this year. We continue to host the year-round Health Wellness Friday blood draws at the Sheridan Lab. The Hospital's annual Health Fair will be held on September 18, 2010, at the Sheridan College Bruce Hoffman Golden Dome. Staff will be available to help interrupt blood results.

EXECUTIVE SESSION

The public meeting moved into closed session for personnel matters. The meeting was then reconvened into public session. After review, Harlan Rasmussen moved to grant Dr. Victor Ashear, Affiliated Health Care Professional Staff membership and privileges in the Department of Medicine at Sheridan Memorial Hospital. Dixie See seconded the motion and motion carried.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 5:15 p.m.

Recorder,
Roxanne Araas
Michael Strahan, M.D., Secretary