

**BOARD OF TRUSTEES  
DECEMBER MEETING MINUTES  
WEDNESDAY, DECEMBER 2, 2009 3:00 P.M.**

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

**MEMBERS ABSENT:** Gary Miller

**CALL MEETING TO ORDER**

Harlan Rasmussen called the meeting to order at 3:05 p.m.

**APPROVAL OF MINUTES**

The previous meeting minutes of October 28, 2009 were reviewed. After review, Dixie See made a motion to approve the minutes; Bill Huppert seconded the motion and motion carried.

**PUBLIC COMMENTS, INTRODUCTIONS**

None.

**QUALITY COMMITTEE REPORT**

Randy Bomar reported that a Quality Committee meeting was held November 19, 2009. Len Gross, HR Director, presented an overview of his VHA conference in San Diego. The central theme of the conference was how to prevent human error and he would like to recommend, to Leadership, to bring the speaker to SMH.

Input was received from Dr. Strahan regarding information on rabies and he recommended CDC guidelines be provided to all physicians. Review of scorecard showed good results from AVATAR scores. Dr. Hanebrink was asked to do some follow-up and present more information at the next Quality Committee meeting in regards to surgical care improvement and overall doing great.

Lajune Bacon gave an update on the Boise Conference where Leslie Reimers, Becky Anthony and she attended a recent workshop. Goal was to do RAN (rapid adoption network), and they have started to map out processes for nurse/patient communication and ways to standardize based on people involved, environment, peer observations on how we communicate. Out of HCAHPs questions, there are three on nursing communication, and are heavily weighted questions affecting the overall score. Currently we are working with nurse managers on that communication with patients, but realize that it is important to assure that all staff see those results. Discussion was held on patient comfort, courtesy and respect and some key words to be taught to help raise scores. Harlan Rasmussen also asked

about communication about medication and it was noted that all nurses, pharmacy, and physicians share that responsibility and at discharge, medication is reviewed with pharmacy; but these are all areas that we continue to work on.

### **MEDICAL STAFF REPORT**

Medical Staff Privileges – Dr. Hanebrink explained that he is involved in physician presentation for credentialing and the screening process that takes place on all applicants before presented to the Board of Trustees for approval. Several Practitioners requested re-credentialing for the 2010-2011 credentialing period for Affiliated Health Care Professionals (see attached list) and Dr. Hanebrink stated that one year all Affiliated Health Care Professionals need re-credentialing and the next year all active medical staff is completed. This year they have finished and approved all of the Affiliated Staff and Harlan Rasmussen was asked to meet with Amy Mehlhaff next week to review and sign. December Quarterly Medical Staff meeting will be held on December 8 and all of the board members were invited to attend the meeting. Mr. Rasmussen thanked Ms. Mehlhaff for her presentation and hard work. Dr. Cindy Sharp was introduced and welcomed to the SMH team. The following applications were to be presented today for review in executive session:

Cindy Sharp, M.D. is requesting Active Staff membership in the Department of Medicine at SMH specializing in Internal Medicine and Nephrology. She will be joining the Big Horn Mountain Medicine (BHMM) practice.

Sara Smith, MD is requesting Active Staff membership in the Department of Surgery at SMH specializing in General Surgery. She will be joining Drs. Mangus, Jost, and Gould at Big Horn Surgical.

Ron Gardner, MD is requesting Courtesy Staff membership in the Department of Surgery at SMH specializing in General Surgery. Dr. Gardner's primary practice is in Buffalo. His services will be utilized as an additional surgeon to consult for patient care needs.

Jason Otto, PA-C is requesting Affiliated Health Care professional staff membership in the Department of Medicine at SMH, specializing as a Physician Assistant for Dr. Ian Hunter at Big Horn Mountain Medicine and employee of SMH.

Kenneth Sickel, PA-C – is requesting Affiliated Health Care Professional Staff membership in the Department of Medicine at SMH, specializing as a Physician Assistant for Dr. Hugh Batty in his private practice.

### **ADMINISTRATION REPORT**

Mike McCafferty provided the Board with updates on physician recruitment:

- Dr. Cindy Sharp is joining BHMM and will start to see patients on 12/3/09. She specializes in Internal Medicine and Nephrology and is one of the practitioners requesting medical staff privileges today. Dr. Sharp can see patients, but is unable to admit to the hospital until her privileges are approved.
- Dr. Sara Smith will begin practice at Big Horn Surgical as of January 1, 2010. She is the daughter of Chris Smith, M.D. Her services will provide the additional ability to take care of general surgery needs in the community and increase the endoscopy/colonoscopy services at the hospital.
- In July 2010, Dr. Jacob Lieb currently in Arizona, but originally from Riverton, will be employed as a new Emergency Department physician.
- Dr. Nicole Caldwell, will join Big Horn Mountain Medicine as an internist in January 2011.
- Continue to pursue candidates in psychiatry and hope to work locally with other community providers and try to share the cost or house service outside of hospital.

Mr. McCafferty explained that after the recent presentation on the Physician Needs Assessment he is meeting with physicians to look at assessment findings. He has met with OB/GYN physicians and discussed what our role in the future looks like with recruitment and succession planning as well as the impact in other areas. Next week he will meet with the Pediatricians. Mike McCafferty is planning a spring meeting in March, 2010 with Board Members, Physicians and community for another Strategic Planning meeting to develop a new or refreshed plan based on these physician discussions and other data gathered.

Mr. McCafferty stated that he is looking at future governance and leadership training options for the Board Chairman and Vice Chairman, Chief of Staff and Vice Chief of Staff to attend and will keep everyone posted on what is decided.

Mike McCafferty provided an update that Big Horn Mountain Medicine is up and running with the approval from the State, for Phase I of the clinic on Burton Street which will allow Drs. Hunter and Sharp to see patients in this location. Mr. McCafferty noted the lengthy and unreasonable amount of time that it took the Department of Health to comply with many stringent and unnecessary standards to utilize the building (21 weeks). In the future, he would like to look at a different avenue so not to have to go through the state to authorize openings that must meet all hospital construction project standards. A handout was distributed to explain a proposed practice structure model. Lynn Custis helped develop the proposal to implement a LLC under SMH that would house several DBA's (i.e. BHMM, BHS, etc.) under its parent company owned by the hospital, to be able to eliminate the many state construction requirements. The LLC will be a separate company. The LLC in the future will have the ability to offer to non-owned physicians support services such as billing, IT services to enhance information exchange and practice management. Mike McCafferty asked staff to pursue a Tax ID number and the creation of the LLC. A Medicare Provider Number would be set up for the LLC while continuing to bill under the physician NPI. Ron Mischke asked Dr. Strahan for his thoughts regarding the physician's feelings in the community and Dr. Strahan commented that as a private practice the recruitment process is difficult to do and it is necessary for this hospital change to obtain physicians for the community. Mr. Mischke noted that for clarity for the press, that the hospital is doing this

in cooperation with the medical community in the best interest of community needs. Dr. Hanebrink stated that he has the same feeling from Medical Staff on future needs for community. Mike McCafferty noted this is to be set up to assist other facilities to function efficiently with the hospital remaining the employer to the physicians hired. Timeframe to create the LLC will depend on several things including Medicare and other services.

Update on Oncology Consulting Management Group was given and Mike McCafferty explained the first phase was for revenue cycle review to develop process for coding and billing procedures at Welch Cancer Center. The second phase is for the development of the business plan of the new cancer center. They have completed phase I and presented a draft of phase II and will be meeting next week to discuss the business plan and hope to have finalized document by end of this year. Rob Forister and LaNora Dixon, and CTA have had conversations with the group to look at development of the cancer center and medical office space on the west campus of the hospital.

Mr. McCafferty reported that we were contacted two weeks ago by Noridan, a fiduciary intermediary company that they will be conducting chart audits on a lab test that we provide, brain natriuretic peptides (BNP) to see how often it is being ordered and if ordered properly by physician. Data explains that 5 or more ordered on an individual is too many. RAC audits are similar and both based on medical necessity. We have completed our own audit and found it reasonable for outpatient perspective and we should hear from them with their findings, within next couple of months. Mike McCafferty has sent a memo to physicians to make sure they are aware of related topics and to keep communication lines open.

### **FINANCE COMMITTEE REPORT**

Bill Huppert announced that the Finance Committee met today to review financials and was pleased to report that the gross revenue for the month of October was \$8.5M, the highest month in FY. Inpatient revenue was at \$4.2M and expenses, with increased revenue, were over budget by \$179K primarily in two areas salaries and supplies. He noted that pricing from one contract, DePuy, was not received in October but we should see a retroactive adjustment to future pricing to correct this. Salaries were over budget but include BHMM which was not included in budget (8 people). Net income for the month was \$273K and for year to date total net income is \$1.2M.

The Finance Committee reviewed the Gainsharing Process and that the program is based on an overall Avatar score and is paid-out only if SMH makes an operating profit for the FY year. Based on the FY2009 audit, recommended payout is \$3,147 which was \$8.47 per FTE. Recommendation is needed by the Board to pay out Gainsharing amount. It was discussed that these have been tough times for hospitals around us and we remained with salary increases, which is important to recognize that we have not taken from our people. Mike McCafferty stated that everyone still has jobs and increases and that while it is a small Gainsharing payout we are pleased with operations. Harlan Rasmussen asked for a motion for distribution of Gainsharing. Ron Mischke moved to pay out the \$3,147, Randy Bomar seconded the motion. Dr. Strahan commented that he felt with our budget and

revenue we should make it a reasonable amount to give to employees as this seemed a ridiculous amount but that was his personal feeling to either find more money or not give any. After no further comments the motion was reconsidered, motion passed.

Bill Huppert reported that Accounts Receivables finished higher in October than previous months and days at month end rose to 56.5; however, still feels this is excellent and within our goal to keep AR under 60 days. There were several factors explained that contributed to the increase but Patient Billing is working hard to lower the number in November and reach our internal goal of 55 days. Mr. Huppert explained that vouchers for September, October and MasterCard statement for October were all reviewed and approved.

Capital Equipment Request from Surgery for 180 HD Colonoscope which is FY2010 budgeted request by Dr. Jost. The estimated purchase price is \$34,780. The purpose of equipment is to standardize all equipment in our Endoscopy Suite, which will make all equipment high definition. This HD equipment will greatly improve patient care by providing enhanced video images, to improve diagnostic capabilities. This equipment will allow for added procedures for our patients as well as provide supplementary equipment to accommodate additional general surgeon. Peggy Callantine explained the need for equipment will help capture additional colonoscopies each month that are currently being done out of town. Harlan Rasmussen felt to capture that revenue would be important and the equipment would be beneficial so patients don't have to leave town. Ron Mischke made the motion to authorize the purchase of the 180 HD Colonoscope, up to the amount of \$34,780, Dixie See seconded the motion, motion carried.

### **FOUNDATION REPORT**

Ada Kirven announced that to date \$168,000 has been raised for the Digital Mammography Equipment Campaign compared to the \$250,000 cost for the equipment.

The 2009 Foundation Partner Program Celebration will be held on December 10, 2009. The 387 partners will be given the opportunity to vote on different selected projects and choose one that they will support with the \$28,000 available funds. The Board members were invited to attend the breakfast from 6:30-8:30 am in the cafeteria. Membership 2010 letters are being sent out and this year information will be sent out to Physicians to extend them the opportunity to become Foundation Partners.

The community garden was discussed and thanks were given to Gene Davis for his help with this project. The area on the North East side of the hospital campus will be used for a community garden and we have seen some progress as clean up has started. The City is working with us and will remove debris and by spring we will be ready to stake the ground and several are anxious to claim plots.

Harlan Rasmussen thanked the Foundation for their help and work on these projects.

## **BUILDING COMMITTEE REPORT**

Dixie See reported that the Lab and Pharmacy remodeling is going well. Rob Forister stated that the Lab project is on schedule and are painting now. The critical item is the case work which is anticipated to be delivered the second week of January with a target move in date for the first week of February.

Pharmacy demo on 1st floor, has started and at the Building Committee meeting it was discussed that one wall proved to have asbestos in it. The company will need to come in and abate the area which will delay the project 2-3 weeks. Mr. Forister explained that the Hospital was built in 1952 and it was hidden behind walls and always contained with no exposure. Randy Bomar approved contingency for the project and we are still within budget.

It was reported that Big Horn Mountain Medicine clinic needs extra space so they are starting to expand and have obtained a building permit with the City. The project is expected to be done within the next couple of weeks to expand both waiting room and patient areas.

## **OTHER BUSINESS**

Annual Employee Christmas Party will be held on Friday, December 4, 2009 at Holiday Inn.

Trees of Love Lighting Ceremony will be held on Sunday, December 6 at 4:30 p.m. in the Patient Wing Lobby.

Thanks were given for the Thanksgiving Meal provided courtesy of Michael Strahan, M.D. for employees working during Thanksgiving. Dr. Strahan also provides the meal for those working on Christmas.

## **ADJOURNMENT**

meeting adjourned into executive session for the Board to consider medical staff privileges. The open meeting re-convened at 5:30 pm:

The

Harlan Rasmussen announced that the Board discussed the application for privileges submitted by Cindy Sharp, M.D. who is requesting Active Staff membership in the Department of Medicine at SMH specializing in Internal Medicine and Nephrology. Dr. Strahan made a motion to approve Dr. Sharp for requested privileges, Randy Bomar seconded the motion, motion carried. Dr. Sharp will be joining the Big Horn Mountain Medicine practice.

Privileges were considered for Sara Smith, MD who is requesting Active Staff membership in the Department of Surgery at SMH specializing in General Surgery. Dixie See made a motion to approve Dr. Sara Smith for requested privileges, Dr. Strahan seconded the motion, motion carried. Dr. Smith will be working at Big Horn Surgical.

The application for Jason Otto, PA-C was reviewed. Mr. Otto is requesting Affiliated Health Care professional staff membership in the Department of Medicine at SMH, specializing as a Physician Assistant for Dr. Ian Hunter at Big Horn Mountain Medicine and employee of SMH. Ron Mischke made a motion to approve Jason Otto for requested privileges, Bill Huppert seconded the motion, motion carried.

Mr. Rasmussen recommended that Amy Mehlhaff read the list of Affiliated Health Care Professionals requesting re-credentialing. Dixie See made a motion to approve the Practitioners named for privileges requested, Ron Mischke seconded the motion, motion carried. It was noted that Dr. Strahan recused himself due to conflict of interest.

There being no further business to come before the Board, the meeting adjourned at 5:40 p.m. with the December meeting to be held on January 6, 2010.

Recorder,  
Roxanne Araas  
Dixie See, Secretary