

**BOARD OF TRUSTEES
FEBRUARY MEETING MINUTES
Wednesday, February 26, 2014 3:00 P.M.**

MEMBERS PRESENT: Ron Mischke, Gary Miller, David Smith, Kevin Bailey, Dixie See, Dr. Strahan

MEMBERS ABSENT: Gene Davis

Others Present: Mike McCafferty and Dr. Sara Smith

CALL MEETING TO ORDER

Mr. Ron Mischke, Chairman called the meeting to order at 3:02 p.m.

PUBLIC COMMENTS, INTRODUCTIONS ~

None

APPROVAL OF AGENDA and MINUTES

The agenda for the February Board of Trustees Meeting was available for review. Motion was made by Ms. Dixie See to approve the February Board agenda. Mr. Kevin Bailey seconded the motion. Motion carried.

The minutes from the January Board Meeting, held on January 29, 2014 were reviewed. A motion was made by Mr. Gary Miller to approve the January 29, 2014 Board meeting minutes. Ms. Dixie See seconded the motion. Motion carried.

The amended minutes from the January 14, 2014 Special Board Meeting were reviewed prior to the Board meeting by members. A motion was made by Dr. Strahan to approve the January 14, 2014 Special Board meeting minutes as amended. Ms. Dixie See seconded the motion. Motion carried.

OLD BUSINESS

No old business to discuss.

QUALITY COMMITTEE REPORT

Dr. Strahan reported from the previous Quality Council Committee meeting. The committee is working on a number of items such as different software for tracking purposes that will work with Cerner, safety issues which they are following through to conclusion and core measures. Specifically, a topic of discussion has been admitting patients for observation vs. admission. An admission requires a minimum of two midnights and it needs to be stated in the patient records. Another focus of the committee is HCAHP scores. Dr. Strahan states that infection control is going well; there have been no catheter infections in years. Sheridan Memorial Hospital is discontinuing the use of cyro cuffs, since there is no way to clean them between each use and it has been found that the cuffs do not circulate the water like they are supposed to. Ice bags have been reported to work better and are sanitary; the hospital will be utilizing ice bags from now on. There

is a new project on hand hygiene which will be implemented as well. Dr. Strahan reported that the Wyoming State Department of Health visited our campus based on two complaints that they received. Based on the examiners review, the complaints were unsubstantiated. Mr. Mischke stated that he sat in on the exit interview and the examiners were very complimentary of our facility. The examiners stated that they would like to use our departments within the hospital as a model for other surveyors to see how things should be done.

MEDICAL STAFF REPORT

Dr. Sara Smith presented three privilege requests for membership and clinical privileges of the following provider credentials files recommended by the Medical Executive Committee for Board review and approval. Credentials files were discussed in executive session before reconvening into public session for action.

Mrs. Autumn Barrett, PA is requesting Non-Physician Professional staff membership and Physician Assistant privileges in the Department of Medicine to practice at Big Horn Mountain Medicine. After review of credentials file in executive session, Mr. Kevin Bailey made a motion to approve Mrs. Barrett for membership and privileges as requested. Mr. David Smith seconded the motion. Motion carried.

Ms. Leslie Wolfe, LCSW is requesting Non-Physician Professional membership and Mental Health Behavioral privileges as an employee of Northern Wyoming Mental Health Center to assist the hospital with on-call services. After review of credentials file in executive session, Mr. David Smith made a motion to approve Ms. Wolfe for membership and privileges as requested. Mr. Gary Miller seconded the motion. Motion carried.

Mr. John Olenyik, LPC is requesting Non-Physician Professional membership and Mental Health Behavioral privileges as County Manager of Northern Wyoming Mental Health Center to assist the hospital with on-call services. After review of credentials file in executive session, Mr. David Smith made a motion to approve Mr. Olenyik for membership and privileges as requested. Ms. Dixie See seconded the motion. Motion carried.

EMR REPORT

Mr. Nyle Morgan had no report on the EMR at this time.

ADMINISTRATION REPORT

Strategic Planning Discussion -Mr. McCafferty will be organizing strategic planning meetings with the Board of Trustees, physicians, staff, and the County Commissioners in the next few months. These meetings will help plan the future direction of the Hospital and where we are going with our services. There are conversations about the model in place and how we bring physicians to our community and how they would work within the healthcare system in Sheridan, WY. In the years 2008-2009 we were looking at the future of primary care physicians and how we recruit to our facility. With a decrease of physicians in private practice, we need to meet the needs of the new physicians. We need primary care physicians within our community to continue to grow and have a stronger healthcare system. Mr. McCafferty referred the Board to The Heritage Foundation

(www.heritage.org) which has information regarding the affordable care act and the impact on doctors; how doctors get paid, dissatisfaction, and decreased reimbursements. The amount of work placed on the physicians will increase the work load and decrease productivity. We want to assure the community has physicians, internal medicine and specialists, for the community. It is apparent that things are changing in the amount of work we have to make sure we have outstanding doctors in our community. Recruitment is strong as we have outstanding physicians; quality physicians attract outstanding physicians. Mr. Mishcke thanked Mr. McCafferty for his vision and efforts with Big Horn Mountain Medicine (BHMM) and changing the model to make sure there was a future for new doctors coming into the community. Dr. Strahan noted that there is a period of time for the new physician practices to build their patients and become financially viable.

Mr. McCafferty also added that Sheridan Memorial Hospital supports both the affiliated owned clinic physicians (ie Big Horn Surgical) and independent practices in the community.

ICU Expansion Master Plan - Mr. McCafferty updated the members on continued discussions for an ICU remodel and expansion. The conversation last month was about the project growing in size and scope. Mr. McCafferty feels it is important to step back and dust off the master plan. He would like the building committee and the stake holders (Board members, physicians and staff) to look at the master plan and our scope of services to make sure we are approaching things correctly.

ICD-10 Discussion – Mr. Nyle Morgan reported that with the new implantation of the ICD-10, we are going from approximately 13,000 codes to approximately 68,000 codes. A committee is looking at software changes to allow for education, communication and the financial impact on the hospital. The Information Systems Department will be working with Cerner for an upgrade to allow for the new software piece for the upgrade to the ICD-10 coding system. There will be other software in house to look at as well. The Information Systems Department needs to access the system, test it and understand it on the same scale as when it goes live on October 1, 2014. Imbedded in the software is what is needed for go live in October and what is needed to educate everyone. There is a documentation piece for clinical personnel including the physicians. This is a pretty significant impact on the hospital and on productivity. Everyone will need to understand what it is and how it looks and acts within Cerner for positive outcomes. There will be a huge learning curve. The change for the coders is of such a huge magnitude, the hospital has engaged 3M Company, as a coding specialist company, to work with medical records and have education modules available. There will be another company called Santa Rosa who will work with physicians on the clinical aspect and documentation. They offer software remediation and training for the non-owned/non-employed physicians. Everyone in the organization will be touched by the changes with the new ICD-10 system. There will be a greater level of detail in the coding and we can expect to see a 20% drop in productivity. Where we may have coded 100 clients a week, we may get 60 done with new ICD-10, which will in turn affect our accounts receivable. There are still a lot of plans to make and education required to make sure things move properly so we don't lose any account receivables. We can expect a drop in our ability to get through work on a daily basis, compounding efficiency problems. The physicians will need to make numerous choices in their orders to get the order through, taking extra time until they learn the system. To head that off, we will start now with physician training and have support for the physicians in house to shorten the learning curve, and have physicians up to speed by the time ICD-10 goes live. Having the support in house is important to help mitigate any problems. There is a manageable group of physicians within the hospital and

the hospital will support the private practitioners with the training and transition to ICD-10. The areas of the county that do not have support will have a difficult time with the transition; if you have a complex patient and the correct codes are not used, the hospital will be paid at the lowest reimbursement level. We need to catch incorrect coding mistakes on the front end so that the hospital is reimbursed at the right level. Mr. Morgan indicated that a training system will be in place to start training within a few months; this training will be specific to Cerner. The coders have been learning some of the codes for the last 12 to 18 months. Coding is very specific and if coded incorrectly, the hospital will not get paid for the treatment. The financial impact is twofold with correct documentation and correct charting. There is the potential for disruption within our organization and we need to communicate with the staff that we do not want it to impact our patient care. Mr. Mischke inquired about the possibility of “patient portals” similar to what is offered at the Cleveland Clinic. Mr. Morgan reported “yes” that it is part of our contract with Cerner. Information Systems department has been working on it since we went live. There are still a few items to address before we can push it out to the community. This portal will meet meaningful use criteria and the intent will be that people will become part of their own healthcare. Mr. McCafferty commented on his recent experience with a personal outpatient procedure. He is proud of the staff and is impressed with how things worked. Everyone worked together from beginning to end to make for a great experience. Mr. McCafferty stated he was amazed at watching how everything worked.

FINANCE COMMITTEE REPORT

In Mr. Gene Davis’ absence, Mr. David Smith reported that it was a good month overall with good revenue. Strong revenues have been key this year. It was noted that expenses average higher than last year. Mr. Johlman states that the contractual write-offs are higher and he is looking into this matter. Meaningful use money was received in the amount of \$340,000 since implementing the EMR. Mr. Johlman also reported that we will receive additional reimbursement based on low volume adjustment cost report that is applicable to rural hospitals. The hospital submitted a report for fiscal year 2010 stating why we should be reimbursed additional money from Medicare; the request was filed and approved for \$559,000, which we will receive in two weeks. There was a steady decline in the patient side and outpatient as well. The low volume was attributed to doctors leaving and the recession being the key factors. We may be able to file an appeal for adjustments for other years as well. The hospital’s net revenue ending 7 months is up 12% and expenses are flat. This is very impressive per Mr. Gary Miller. The addition of physicians within the Big Horn Health Network (BHHN) has contributed to the increase. Growth in patient days in the Transition Care Unit (TCU), from 25 to 237, has added to the revenue as well. The Transitional Care Unit is a great service provided by the hospital. The vouchers and Mr. McCafferty’s credit card were reviewed as well in the Finance Committee Meeting.

FOUNDATION COMMITTEE REPORT

Mrs. Ada Kirven, Executive Director of SMH Foundation reported that they received a wonderful monetary gift from the ladies of the Eagles, in which four (4) of the Foundation programs will benefit. There is an ad in the Sheridan Press today recognizing the cath lab and the Lorraine S. Husman Trust and the siblings/families and the gift they left to the hospital. The gift has had a big impact on the community. The Foundation is working on updating the patient family areas in the

hospital, specifically the surgical waiting room at this time, with new carpet, paint, and minor remodeling. February is Heart month and there are blood pressure screenings going on within the community throughout the month. Colon cancer awareness starts in March. Dr. Jost and Dr. Mangus will be giving talks and clinical presentations at the Welch Cancer Center during the month. Everyone is encouraged to wear blue on Friday March 7th in support of colon cancer awareness.

BUILDING COMMITTEE REPORT

Mr. James Rader, Facilities Director reported that building committee did not meet this month, but the re-roofing project is complete at this time. The final inspection will be done once the snow is gone. Mr. Rader also stated that a representative with the insurance carrier was here today and did a building inspection and everything went well.

OTHER BUSINESS

Mr. Mischke reminded the Board that the March BOT meeting will be April 2, 2014 due to spring break.

EXECUTIVE SESSION

With no further business, the meeting moved into closed session at 4:03 p.m. for discussion of personnel.

The meeting then reconvened into public session at 4:35 p.m. Medical staff privileges were discussed. Please see the Medical Staff report for action taken.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:40 p.m.
Recorder, Patty Forister

Michael Strahan, M.D., Secretary