

**BOARD OF TRUSTEES
JUNE MEETING MINUTES
WEDNESDAY, JUNE 29, 2016 4:00 P.M.**

MEMBERS PRESENT: Kevin Bailey, David Smith, Gene Davis, Dixie See, Shirley Coulter, Ron Mischke and Gary Miller

MEMBERS ABSENT:

Others Present: Mike McCafferty, Dr. Jeremy Zebroski

CALL MEETING TO ORDER

Kevin Bailey, Chairman, called the meeting to order at 4:00 p.m.

PUBLIC COMMENTS, INTRODUCTIONS

None.

APPROVAL OF AGENDA and MINUTES

The agenda for the June Board of Trustees Meeting was available for review. David Smith made the motion to approve the June Board agenda. Gene Davis seconded the motion. Motion carried.

The minutes from the May Board Meeting, held on May 25, 2016 were reviewed. Dixie See made a motion to approve the May Board meeting minutes. Shirley Coulter seconded the motion. Motion carried.

OLD BUSINESS

None.

QUALITY COMMITTEE REPORT

The Quality Committee reviewed two annual plans, the Fire Safety Plan and the Emergency Operations Plan. Data sets were reviewed on patient falls, amendments to the leader review calendar and discussion around medication errors and medication administration.

The Committee reviewed The Quality Council Charter and recommended approval of the charter by the Board of Trustees. David Smith made the motion to approve the Quality Council Charter as presented. Dixie See seconded the motion. Motion carried.

MEDICAL STAFF REPORT

The Medical Staff Bylaw Review Committee proposed amendments to the current Medical Staff Bylaws including, for example, adding a nominating committee, revising the election process of officers, and updating the committee structure. The proposed amendments have been reviewed by the Medical Executive Committee and recommended by the Medical Staff at their June Quarterly Medical Staff meeting, with no concerns noted. The Staff Attorney reviewed the proposed amendments as well. David Smith made the motion to approve the proposed amendments subject

to the inclusion of an additional amendment that replaces Article XII, Section 4, of the Staff Bylaws with the following:

“All officers shall serve a two (2) year term. Each term of office shall begin on January 1st following the year in which they were elected or, if the election is not completed in the same calendar year in which the election process began, on the day the election process is complete. Each term of office shall expire on the later to occur of: (a) December 31 of the second year of their term, or (b) the date their successor takes office.”

Gene Davis seconded the motion. Motion carried. To ensure no unilateral bylaw approval has occurred, this additional amendment will go back to the Medical Staff for ratification at their next Quarterly Medical Staff meeting and any concerns will be brought to the Board as necessary.

Dr. Widener gave an update on the Billings Clinic Residency Program that Big Horn Mountain Medicine is participating in. Second year residents spend a month at a time in Sheridan, providing patient care in a rural setting, which is a requirement of the program. Big Horn Mountain Medicine is also hosting residents from Yale. The Big Horn Mountain Medicine physicians will meet with the Billings Clinic program director to look at metrics and measurements of the program. Funds will be given towards the program for a three year period with hopes that it can sustain and continue thereafter.

The Board members reviewed recommended credentials files in executive session. The applications, supporting documentation and information received during the credentialing and privileging processes were reviewed.

David Smith made a motion to approve Kristen Schaefer, MD for Active Staff Anesthesiology privileges that has been hired by Sheridan Anesthesiology Associates and will begin August 1, 2016. Gary Miller seconded the motion. Motion carried.

Dixie See made a motion to approve Brian Menkhaus MD for Active Staff Anatomic/Clinical Pathology privileges that has been hired by Sheridan Pathology Associates and will begin August 1, 2016. David Smith seconded the motion. Motion carried.

Gary Miller made a motion to approve additional scope of practice for Ivy Larson, Certified First Assistant in the areas of OB/GYN, Orthopedics, and General Surgery practicing under the respective supervising physicians in the Department of Surgery. Gene Davis seconded the motion. Motion carried.

ADMINISTRATION REPORT

Finance Pillar – the statement of the pillar is “we strengthen and sustain a vital healthcare system by effectively managing our resources and providing value for our patients”. Mike reported that the CFO meets with each newly hired employee to share the statement with them and how we budget and manage resources. There is collaboration – ideas and expectations with department managers to set the foundation, which allows a different perspective on managing resources and a sustainable healthcare economy.

Mike reported that Sheridan Memorial Hospital has positioned itself to be independent from taxpayer money to run the hospital while at the same time our pricing structure is affordable in the region, staying competitive with Billings. We are in a good position to handle a downturn in the economy. There is a transformational change in healthcare, and we are creating an environment of consumerism. The hospital has done a market analysis with compensation for staff and will continue to pay attention on how we lead the organization. The hospital is financially healthy.

Recruitment and Physician Demand Analysis ~ every few years Sheridan Memorial Hospital has a physician-demand analysis done. Based on demographics, it identifies how many physicians we should have at any given time. This provides us the ability to recruit based on a formula. Amy Ligocki, the Medical Staff Manager, outlined the process taken and data collected by a third party consultant in order to provide us with a data base. Based on the information and community needs assessment, Sheridan is lacking in a Pediatrician, Gastroenterologist and Pulmonologist. There is also room to recruit in the area of a family practitioner.

FINANCE COMMITTEE REPORT

Financial Statement - The month of May showed strong financial results and we are seeing positive trends in cash on hand and accounts receivable is moving downwards. We have seen some nice growth this year and a decline in liability. The hospital's financial health is showing a positive trend.

Capital Budget – the Finance Committee recommends Board approval of the FY2017 Capital Budget of \$2,041,296 with a \$400K discretionary fund for any further needs. Gene Davis made the motion to approve the Capital Budget as submitted. Ron Mischke seconded the motion. Motion carried.

Operational Budget – the Finance Committee recommends Board approval of the FY2017 Operational Budget as presented in the board packet. Gene Davis made the motion to approve the Operational Budget for FY2017. Dixie See seconded the motion with David Smith abstaining. Motion carried.

FOUNDATION REPORT –

Ada Kirven expressed her thanks to the Board members for all of their work and to Gary Miller for being the liaison to the Foundation and for his years of service. Ada has three board members that are leaving; the hospital board liaison, the Sheridan Memorial Hospital Auxiliary liaison and the Sheridan Memorial Hospital physician liaison.

The Foundation ran an ad in the paper over the weekend which outlined the history of philanthropy at the hospital. Some of the earlier gifts set the platform for growth of the hospital.

The Foundation Golf Tournament is July 8th and there are 116 golfers signed up. There are a number of major sponsors, such as O'Dell Construction and Edward Jones; holes sponsorships and gifts supporting the ICU project. Ada continues to receive memorial gifts as well. All of the golf proceeds will go to the ICU project.

BUILDING COMMITTEE REPORT ~ the ICU is moving along, but is 3-4 weeks behind schedule due to humidity issues encountered in the spring.

The Medical Office Building continues towards completion of construction documents; documents should be done in August. The hospital will get an estimate of the cost when the construction documents are at 90% completion. We will move forward with the bidding process at that time.

The Building Committee has recommended approval to fund \$225K for the Medical Arts Complex smoke evacuation project. The smoke evacuation project is required by the State Department of Health. Dixie See made the motion to approve the funding for the smoke evacuation system in the amount of \$225K. Shirley Coulter seconded the motion. Motion carried.

OTHER BUSINESS

Election of Board Officers – the Nominating Committee recommends the following slate of officers for 2016-2017: Kevin Bailey, Chairman, David Smith, Vice Chairman, Gene Davis, Treasurer and Shirley Coulter, Secretary. Ron Mischke made a motion to approve the slate of officers for 2016-2017 as presented. David Smith seconded the motion. Motion carried.

Kevin thanks the board for their time and effort in serving, with a special acknowledgement to Gary Miller, as this is his last board meeting after 12 years of service. Mike told those in attendance that Gary is known far and wide in the United States in his industry. Gary is a special guy and Mike is thankful for the time Gary has spent with the hospital, his guidance and mentoring, humor, commitment and time.

With Gary's departure, Dr. Tim Scott has been appointed by the County Commissioners to fill the vacancy on the board. Dr. Scott is honored to be on the board and is happy to be in a position to contribute to the success of the hospital.

The Committee Assignments for 2016-2017 have been made and there are no questions or concerns noted by the members.

EXECUTIVE SESSION

Kevin Bailey made the motion to adjourn into Executive Session for personnel and real estate matters after a short recess. Gary Miller seconded the motion. Motion carried at 4:55 pm.

The Board reconvened into open session at 5:16pm with action taken on medical staff credentialing matters. Please see the above action taken under the Medical Staff Report.

ADJOURNMENT

With no further matters to come before the board, the meeting adjourned at 5:17 pm

Recorder, Patty Forister

David Smith, Secretary