

**BOARD OF TRUSTEES  
SEPTEMBER MEETING MINUTES  
WEDNESDAY, OCTOBER 26, 2016 4:00 P.M.**

**MEMBERS PRESENT:** Kevin Bailey, Gene Davis, Ron Mischke, David Smith and Dr. Timothy Scott

**MEMBERS ABSENT:** Dixie See and Shirley Coulter

**Others Present:** Mike McCafferty, Dr. Sara Smith

**CALL MEETING TO ORDER**

Kevin Bailey, Chairman, called the meeting to order at 4:05 p.m.

**PUBLIC COMMENTS, INTRODUCTIONS**

Brett Maurhoff, the OR Manager was introduced and welcomed. Also, a new reporter from the Sheridan Press, Chelsea Coli was welcomed by all in attendance.

**APPROVAL OF AGENDA and MINUTES**

The agenda for the October Board of Trustees Meeting was available for review. Mike McCafferty asked that the agenda be amended moving the Finance Committee to report first, and to add an agenda item under the Finance Committee Report; a review of a Board Resolution (action item) relative to the financing of Medical Office Building project. Gene Davis moved to approve the modified agenda. Dr. Scott seconded the motion. Motion carried.

The minutes from the September Board meeting, held on September 28, 2016 were reviewed. Dr. Scott moved to approve the minutes as presented. Gene Davis seconded the motion. Motion carried.

**OLD BUSINESS**

None.

**FINANCE COMMITTEE REPORT**

Financial Statements – First quarter volumes are flat and the gross top line income is over by \$1,000,000. We had a 50% discount factor instead of 48% for the same time last year. Our volumes are flat with the hope of improvement in the next quarter. First quarter expense growth was only 2.3%, which is good. Very pleased with what management is doing to control costs.

Financial Management System – There is a memo in the board packet outlining a request to replace the existing Financial Management System, as the current system is outdated and no longer supported. The selected vendor's proposed budget is less than what was originally forecasted. The Finance Committee will make a formal request in December for board approval to proceed with the replacement and funding of the system.

Audit Report FY2016 (Action) – Mr. Darryn McGarvey, CPA with CliftonLarsonAllen, LLP presented the FY2016 audited financial report. CliftonLarsonAllen headquarters are in Minneapolis, MN, and they are the 9<sup>th</sup> largest accounting firm in the country with a focus on healthcare auditing. CliftonLarsonAllen is new to the hospital, and they had a preliminary visit in May with the full audit in September. Mr. McGarvey stated he is very impressed with our facility and the services offered. Sheridan Memorial Hospital is a financially successful hospital and we had a very positive audit result. Mr. McGarvey said he went through the audit in detail with the Finance Committee. He had a clean audit opinion to present and the audit report contains an unmodified opinion. An unmodified opinion is the highest opinion an organization can receive.

Mr. McGarvey went through an overview of the audit with a slide presentation. The full report is in the board packet for the Board of Trustees to review. Mr. McGarvey made note of some of the more significant financial changes during the FY2016 audit. New to the audit this year is the addition of the Foundation financials and the revenue cycle was reviewed in depth.

Mr. McGarvey continued his report stating that we have very little debt on our books and are in a very good position to take on additional debt. Sheridan Memorial Hospital has an overall clean audit, and the support of management was appreciated.

The Finance Committee recommended the draft audit be accepted for approval. Once approved, the audit will be deemed final. Ron Mischke moved to approve the draft audit. Gene Davis seconded the motion. Motion carried.

Board Resolution (Action)- The Finance Committee reviewed and recommended to the Board of Trustees the Resolution before them to execute the First Interstate Bank finance agreements not to exceed 10,000,000 to fund the construction of the new Medical Office Building. Gene Davis moved to adopt the revised Resolution as presented. Ron Mischke seconded the motion. Motion carried.

### **QUALITY COMMITTEE REPORT**

Patient care is heading in the right direction. Gross patient revenues are up 14%. The Committee reviewed data sets on inpatient falls, the use of restraints, readmission rates, employee injuries, HCAHPS, critical test results, and noise at night disrupting patients.

Employee forums were held a week ago, and the Officers presented on hand hygiene within the organization, gain sharing, and celebrating successes the organization has seen within the last year. The list shared in the Quality Committee meeting will be sent to all of the Board of Trustees for review.

### **MEDICAL STAFF REPORT**

Credentialing of staff will be done in Executive Session. The applications, supporting documentation, and information received during the credentialing and privileging processes were reviewed. Based on this review, it is the Board's opinion that the following applicants meet the requirements for Medical Staff appointment and clinical privileges as recommended.

**Nina Beach, FNP-C working as a Certified Family Nurse Practitioner at the Welch Cancer Center, granted additional clinical privileges in the area of hematology/oncology.**

David Smith moved to approve Nina Beach, FNP-C additional clinical privileges as discussed. Dr. Scott seconded the motion. Motion carried.

**Carol Long, Licensed Clinical Social Worker to work in SMH Case Management, assisting patients with the Title 25 process.**

David Smith moved to approve privileges for Carol Long, LCSW as discussed. Dr. Scott seconded the motion. Motion carried.

**Steven Bischoff, Certified Physician Assistant in the Urgent Care Clinic and Emergency Department.**

Kevin Bailey moved to approve privileges for Steven Bischoff, PA-C as discussed. Gene Davis seconded the motion. Motion carried.

**Andrew Lashus, MD, Telemedicine Pediatric Cardiology to provide interpretations of pediatric EKGs, Holters and Event Monitors via electronic system.**

Ron Mischke moved to approve the telemedicine privileges for Andrew Lashus, MD as discussed. Dr. Scott seconded the motion. Motion carried.

**Roger Wallace, DO, consulting privileges in Maternal and Fetal Medicine at Sheridan Women's Clinic on an intermittent need.**

Dr. Scott moved to approve the consulting privileges for Roger Wallace, DO as discussed. David Smith seconded the motion. Motion carried.

**ADMINISTRATION REPORT**

Board Governance Training – Board of Trustee members Ron Mischke and Dr. Tim Scott, along with Nathan Stutte, CFO will be attending board training in Nashville. Mike reminded the attendees to take the opportunity to network and pay attention to the national speakers. Great insight on how Sheridan Memorial Hospital positions ourselves and staying ahead of national trends.

Compliance Report – Compliance report summary is in the board packet for the Trustee's review. Full details were reported to the Compliance Committee at their last meeting on October 12<sup>th</sup>. Lynn summarized results of audits, issues identified, the results and actions taken; proposed changes to compliance processes, policies and procedures; new initiatives that could possibly affect the hospital and compliance related educational activities undertaken since the last report. There are only 13 people left to complete the annual security and safety training.

Medical Office Building Update - As we begin this project, a fence will go around the perimeter of the construction site limiting access and parking areas. A communication plan will be going out to the community and to hospital employees outlining parking options and how to access the campus.

Intensive Care Unit – A video on the smart room technology was shown to the board and attendees. The video outlined what will be going into our new ICU and eventually throughout the hospital. The nurse call system has been updated as well. Nursing will wear a badge that recognizes the nurse, triggering the call light to go off once the nurse enters the room. All alerts will go to a smart phone

instead of having an audible alert. The nurse can direct the alert to the next person on the call list, or if unanswered, it will automatically roll to the next person.

The Phillip monitor system was viewed. This is a very integrated system and will follow the patient throughout the facility. A telemetry room in the ICU will monitor all areas within the hospital, except for the operating room. Physicians can be contacted on the smart phone by secure texting as well. There will be a Community Open House on November 10<sup>th</sup>. The State will be here the week of November 7<sup>th</sup> for a final inspection and patients will be moved on November 30<sup>th</sup>.

Downtown Location – The majority of the staff have now moved down to the Gould Street location. Progress is being made on the front of the building, and the meeting space is coming together nicely. Parking seems to work well, and no issues have been reported.

### **FOUNDATION REPORT**

Ada and Laura are both at a conference so there was no report. Kevin Bailey stated that “The Link – Partners in Pink” was a success with over 600 people registered for the event. Monday, Oct 31<sup>st</sup> is Dining for a Cause at Frackelton’s. We would like the board members to represent the hospital at the event.

### **BUILDING COMMITTEE REPORT**

The ICU project is winding down with the State Department of Health doing a final inspection the week of November 7<sup>th</sup>.

The smoke evacuation system in the MAC is wrapping up as well and will get a final inspection done by the State Department of Health at the same time as the ICU project inspection.

### **OTHER BUSINESS**

None.

### **EXECUTIVE SESSION**

Kevin Bailey moved to adjourn into Executive Session for personnel and real estate matters after a short recess. David Smith seconded the motion. Motion carried.

The Board reconvened into open session at 5:25 pm 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 5:27 pm.

Recorder, Patty Forister

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Shirley Coulter, Secretary