

**BOARD OF TRUSTEES
OCTOBER MEETING MINUTES
Wednesday, October 23, 2013 3:00 P.M.**

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

MEMBERS ABSENT: None

Others Present: Mike McCafferty and Dr. Sara Smith

CALL MEETING TO ORDER

Mr. Ron Mischke, Chairman called the meeting to order at 3:05 p.m.

PUBLIC COMMENTS, INTRODUCTIONS ~

Mr. Ron Mischke reported that the finance committee indicated that the independent auditor was running late and will be in at 3:30. His audit report will be given at that time.

APPROVAL OF AGENDA and MINUTES

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

The minutes from the September Board meeting, held on October 2, 2013 were reviewed. A motion was made by Dr. Michael Strahan to approve the September Board meeting minutes. Mr. Gary Miller seconded the motion. Motion carried.

OLD BUSINESS

No old business to discuss.

QUALITY COMMITTEE REPORT

Dr. Strahan reported that he was unable to attend the previous Quality Council meeting as he was at the quality health meeting in Casper. Dr. Addlesperger reviewed root cause analysis and mitigation processes and Mrs. Charlotte Mather expanded on his comments. Mrs. Nancy Hooge, Clinical Nurse Educator has completed an improvement process on pain assessment and reassessment in which data was collected and the information was pushed back out; the data was then re-measured indicating that the numbers had improved. The improvement project was very successful and Mrs. Mather stated that they are pushing ahead with other improvement cycles. This information will be in the Board packets from this time forward as well as any root cause analysis reviews. Mr. Mischke asked for the minutes from the Quality Council Committee meetings be included in future Board packets as well.

Mrs. Mather further explained the root-cause analysis reports on certain events referenced in the Board packet. This analysis is not required by the State but the hospital decided to do the analysis as a self-learning and quality improvement tool for the hospital. Mrs. Mather stated that this is a good learning opportunity and we are able to identify key consistent themes pertaining to communication and hand off of patients by staff. There was a patient safety survey done twelve (12) months ago and another one will be done in the next six (6) months. Employees indicated that communication is key and focus is needed to improve our organization; direct behaviors and team work is also needed; training will be provided to increase skills and communication effectively and accurately throughout the hospital. We want to create a culture where people are able to speak up about concerns or safety issues and feel like they can do that safely. Accountability involves teaching and understanding and aims to find out why things have happened and what can be done to prevent it from happening again. We recognize that there are defects in some of our processes. There is a foundation being implemented with the improvement projects, where issues are recognized and addressed so that we can build upon the improvements. Mr. Mischke stated that he appreciate all of these efforts. Mr. Mischke stated he would be happy to attend any quality meetings as quality and safety are priority. Mr. Mischke encouraged the Board to back the efforts of staff for improvement. Mr. Gene Davis would like to see more root-cause analysis in the Board packets, as they are appropriately conducted.

MEDICAL STAFF REPORT

Dr. Sara Smith, Chief of Staff, reported on the service request to provide tele-echocardiography at Sheridan Memorial Hospital. This request comes from the Radiology Department. Tele-echocardiography will provide real time images for pediatric neo-natal care, which helps determine immediate care and course of action to take. This will save time, effort and cost for our patients and their families. Mr. Chris Bilyeu, Radiology Manager has met with Dr. Michael Pettersen, a pediatric cardiologist from Rocky Mountain Pediatric Cardiology in Colorado who approached Sheridan Memorial Hospital about working with pediatric patients. Dr. Petterson has met with Dr. Brennan and Dr. Garcia as well. Dr. Petterson is able to watch the echocardiography from another location as the equipment would be hooked up to a server and the images sent while being done. This is the future of cutting edge technology. Mr. Bilyeu stated that the startup cost is minimal as the probe needed is approximately \$5,000, with an estimated 12 to 24 cases a year. The patient cost is \$1,300 for the exam. The process of credentialing and privileging the pediatric cardiologists will take place after the service has been approved by the Board.

The Medical Executive Committee has reviewed all the information, as stated in Dr. Smith's report, for the privilege/service request and recommends approval by the Board of Trustees to conduct Tele-echocardiography at Sheridan Memorial Hospital. A motion was made by Mr. Miller to approve the recommendation as stated. Mr. Davis seconded the motion. Motion carried.

EMR REPORT

Mr. Nyle Morgan had nothing to report at this time.

ADMINISTRATION REPORT

Mr. McCafferty reported that the hospital hosted another round of employee forums this month. He plans on having them on a quarterly basis in order to give the employees a chance to ask questions. The forums will be posted on the website for anyone to view, including our community members.

Dr. Addlesperger updated the Board on the culture of safety. The Wyoming Hospital Association and the Wyoming Business Coalition are working on how to partner together to measure quality and get the information to consumers. There is a tool called Checkpoint to look at quality data. This is public data consistent with value-based purchasing. Dr. Addlesperger and Mr. McCafferty are working together with the Wyoming legislature to share information with the public. Price Point is currently up and running and is from the WHA as well. The quality and cost data about our hospital will be publicly reported information.

Dr. Strahan asked why the Wyoming Business Coalition is so heavily invested in the Leapfrog program and if they are willing to listen and discuss alternatives.

Dr. Addlesperger recommended that the Board go to the WHA <http://wyopricepoint.com/> website and look at Checkpoint to see how it looks. Although this sight will be going through some changes to make it more user friendly, he is asking the Board to take a look and give him feedback on what they view. Dr. Addlesperger thinks it would be useful if our site was on there for data and recommendations on how to improve care. This is a measurable tool.

Dr. Addlesperger also reported that the new patient safety committee met a couple of weeks ago. The committee members that met were from many different disciplines and there was some meaningful data and actionable items reviewed. This information will be used to initiate improvement projects and be the ground work for root cause analysis. Institutional safety is already in place. Patient safety has grown with rigorous discipline and focus from people.

In other Quality committee business, the Hospital has hired an individual to focus on gathering and trending quantitative quality data and we are currently focusing on a performance improvement (PI) project to look at the culture of safety and communication in the operating room.

Mrs. Mather stated that she has submitted an application for Sheridan Memorial Hospital to become a member of the grant funded program, Transferring Care at the Bedside (TCAB), which works with front line staff on how to improve bedside interactions. Mrs. Mather stated that she has applied but has not heard back if we are accepted into the program.

Dr. Addlesperger stated that CMS will penalize the hospital for re-admissions of certain diagnosis, such as heart problems and pneumonia. This involves a lot of step-by-step processes to be done reliably in order to comply with regulations. Dr. Garcia, Cardiologist has offered to help Dr. Addlesperger on this process of organization and improvement of processes.

The patient experience team is in place to roll out the plans and training on integrating HCAHPS into our culture and delivering service consistent with that. HCAHPS is effective and can be measured.

FINANCE COMMITTEE REPORT

Audit Report FY 2013

Mr. Jerrel Tucker, CPA from TCA Partners, LLP presented the FY2013 audited financial report. The audit report contained an unqualified opinion, which is the best result. There were no material weaknesses or significant deficiencies identified relating to the Hospital's internal controls and there were no reportable findings. There were no audit adjustments and there were no difficulties encountered with management in performing the audit.

Mr. Tucker distributed a summary of his audit report as well as the full MHSC Audited Financial Statement 06.30.13 for review by the Board of Trustees. Mr. Tucker made note of some of the most significant financial changes during the FY2013 year. He explained the capitalization of the EMR program; there was depreciation of \$1.8M this year plus the construction project added to the depreciation as well. The bad debt reporting also pushed up into the calculations.

Mr. Tucker explained a change for the FY2013 fiscal year: FASB ASU 2011-07, Bad Debt Reporting. This will require a change to the presentation on the Statement of Operations. Bad Debt reporting moved back up from the expense section and into the contractual section. Mr. Johlman explained to members the FY2013 financials already reflected this change in presentation, starting in July 2012.

Mr. Tucker continued with an overview of the FY2013 year. He expressed how well organized the financial information was for his review. Mr. Tucker stated that our ratios are off but this is not uncommon in a hospital of our size. Deductions from revenue continue to stay reflective of the activity and our bad debts went down. Sheridan Memorial Hospital's financial position was down from the year before, but the slowdown was due to our EMR conversion. Overall the Hospital had a good year and we are doing quite well. Mr. Tucker stated that competent internal controls are in place. One recommendation is to continue to look for savings in the supply area. Accounts payable are currently up and we currently see a positive cash flow. There was no money received from the County this year.

Dr. Strahan asked about comparisons of other hospitals and expanding clinic operations similar to Sheridan Memorial Hospital. Mr. Tucker stated that the key is to have clinics run like clinics, not like physician offices. You want as much volume as you can on general services to help the bottom line. Clinics are a cash cow or should be.

Mr. Johlman reported that September was a good month due to a combination of revenue and outpatient services was extremely busy. Our contractals were down and the right offs were better than they have been. This was the second profitable month this year. Mr. Davis stated that we show \$1.4 M in year-to-date income, with some reimbursement coming from the Federal Government due to the EMR.

Congratulations were made by Mr. Johlman and Mr. Tucker to the accounting and finance department for their hard work and efficiency. Mr. Tucker was also thanked for his audit presentation.

A motion was made by Mr. Davis to approve the report with adjustments in language pertaining to county money. Mr. Miller seconded the motion. Motion carried.

FOUNDATION COMMITTEE REPORT

Mrs. Ada Kirven reported on the 5th Annual The Link – Partners in Pink event which was held a couple of weeks ago. Mrs. Kirven reported that the event was well attended and the 600 participants had fun. Cloud Peak Energy is an active supporter and sponsor as well as Hammer Chevrolet and Sheridan Federal Credit Union, plus 37 additional sponsors for the mammography program. Mrs. Kirven expresses her thanks to everyone for their support. Mrs. Kirven acknowledged Sharon Krueger and Jennifer Rasp-Vaughn in the audience and commented that the proceeds from the event totaled \$27,217.00.

Mrs. Kirven stated that the two day golf tournament was a success due to the involvement of Dr. Garcia and Dr. Brennan from the Big Horn Heart Center. Mrs. Kirven wanted to extend her thanks to all for their support of the Foundation, the Foundation Board and volunteers.

BUILDING COMMITTEE REPORT

Ms. Dixie See turned the building committee report over to Mr. James Rader. Mr. Rader reported that the urgent care is complete and the State of Wyoming is expected to be here today to do their inspection. Mr. Rader states that there are a couple of issues with the air flow but otherwise we are good to go. Mr. Rader indicated that once we get the approval from the State, we can open the urgent care. Mrs. Kelly Lieb, Physician Assistant and Coordinator of the Urgent Care is excited to get underway on the new service.

In other news, Mr. Rader reports that documents for the re-roofing bid went out last week and he is still waiting to hear back from the contractors.

OTHER BUSINESS

The Board of Trustees decided that the December Board meeting would be held on January 8, 2014.

EXECUTIVE SESSION

With no further business, the meeting moved into closed session at 4:20 p.m. for discussion of personnel and real estate matters.

The meeting then reconvened into public session at 4:50 p.m.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:50 p.m.

Recorder, Patty Forister

Michael Strahan, M.D., Secretary