

**BOARD OF TRUSTEES
OCTOBER MEETING MINUTES
Wednesday, October 29, 2014 3:00 P.M.**

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

MEMBERS ABSENT:

Others Present: Mike McCafferty and Dr. Sara Smith

CALL MEETING TO ORDER

Kevin Bailey, Chairman, called the meeting to order at 3:02 p.m.

PUBLIC COMMENTS, INTRODUCTIONS

None

APPROVAL OF AGENDA and MINUTES

The agenda for the October Board of Trustees Meeting was available for review. The recommendation was made to have the Foundation make another presentation under section XII, Other Business and under section XIII, add Personnel as an Executive Session item. Dr. Strahan moved to approve the AMENDED October Board agenda. David Smith seconded the motion. Motion carried.

The minutes from the September Board Meeting, held on October 1, 2014 were reviewed. Gary Miller moved to approve the September Board meeting minutes. Dixie See seconded the motion. Motion carried.

OLD BUSINESS

None.

FOUNDATION COMMITTEE REPORT

Ada Kirven, Executive Director of the Foundation, introduced community members and spoke of their involvement in The Link – Partners in Pink event; River Heide, president of the Sheridan High School FBLA group and Taylor Cameron, FBLA member and their advisor Ms. Sharon Deutscher were introduced to the board. River spoke of how they participated in this fund-raising campaign and of the great experience the members had. A check from the Sheridan High School FBLA in the amount of \$1,900 was presented to The Foundation. Deb Hanson, also with Sheridan High School, made a quilt with various t-shirts from different community breast cancer fund raising events, which she then donated to the Foundation. Raffle tickets were sold and the winner of the quilt donated it back to The Foundation and it is now on display at the Welch Cancer Center. \$1,500 in \$1 raffle tickets were sold. Ada also introduced The Link Committee Members Mary Kay Liggett and Renea Parker, who were instrumental in organizing the event, as well as Jodie Calkins, a breast cancer survivor, volunteer and contributor. The event had 715 registered participants and 100 volunteers.

Thanks went out to The Foundation staff, Meredith and Sandra, for all of their hard work. This has become a signature Foundation and community event.

QUALITY COMMITTEE REPORT

Ron Mischke, Chairman of the Quality Committee stated that there were some really good presentations in Quality Committee meeting today. The Cath Lab presented that they have done 46 procedures; ten more than what was budgeted for. This information cemented the fact that we are doing the right thing with the right people in place. There are EKG machines in the ambulances, which helps expedite the cases that are in-route to the emergency room.

The safety report was reviewed and we had some great catches. It was stated that safety events generate improvement projects, which are then prioritized. The focus is on safety and quality with many committees and processes being implemented. A safety event is addressed immediately with an action plan put into place to keep the event from happening again.

There has been an improvement in reporting and issues are being caught earlier. There will be continued work on action plans for continued improvement. This is an organizational wide program.

A daily safety brief (M-F) has been implemented, as part of an initiative of our Quality Director. All departments within the hospital are involved to report on any safety issues within that area. There is then support and resources available to those who are in need.

It was also reported that the hospital has done a great job in establishing protocols with an Ebola preparedness plan. Our awareness of the issue and being prepared is to help protect our staff and community. The board thanked the staff for their efforts. The County has an Ebola tabletop exercise which SMH leaders will attend tomorrow (October 30, 2014).

Quality continues to remain a high focus within the hospital.

MEDICAL STAFF REPORT

Dr. Sara Smith presented the following credentials files for review and approval of membership and privileges in Executive Session.

Alison Brady, PA-C is requesting Non Physician Professional Staff membership in the Department of Emergency at Sheridan Memorial Hospital, specializing in the Urgent Care as a Certified Physician Assistant (PA-C). After review of credentials in Executive Session, Ron moved to approve the requested membership and privileges of Alison Brady, PAC. Dixie seconded the motion. Motion carried.

Ivy Larson, Certified Surgical First Assistant / Certified Surgical Tech has met all Sheridan Memorial Hospital medical staff privilege qualifications for reappointment as a Certified Surgical First Assistant (CSFA) granted by the National Commission for Certifying Agencies-National Board of Surgical Technology and Surgical Assisting. She will be practicing under the direct

supervision of licensed independent physicians, Dr. Stephen Holst, Urologist and Dr. Scott Bateman, ENT in the Department of Surgery.

After review of credentials in Executive Session, Dr. Strahan moved to approve the requested CSFA privileges of Ivy Larson. Gene Davis seconded the motion. Motion carried.

The following physicians are being recommended to be appointed telepsychiatry privileges which include the diagnosis and treatment of psychiatric disorders using telemedicine, as delineated by HealthLinkNow, a telemental health organization: Dr. Hunter Yost, Dr. Leena Sumitra, Dr. Danielle Gordon, and Dr. Valerie Miller. After review of credentials in Executive Session, Ron Mischke moved to approve the requested privileges of the psychiatrists listed above. Dixie See seconded the motion. Motion carried.

ADMINISTRATION REPORT

Dialysis – SMH has worked with the Billings Clinic since 1995 to provide dialysis in Sheridan. Providing dialysis is tough unless you have the buying power for supplies. The Billings Clinic has partnered in a joint venture with a company called Dialysis Clinic, Inc. (DCI). We started the conversation a year ago to continue dialysis service in Sheridan. In order to continue a high level of service to our patients, the structure may need to change. If MHSCH partnered with DCI, we would be able to purchase supplies at 1/3 the cost of what is currently being charged. DCI is a quality company that shares our same goals with the patient at the forefront. The current dialysis staff is very experienced and patient safety and care will stay the same no matter the employer. DCI is a not for profit clinic that started in 1943, and continues on today. The Billings Clinic fully researched DCI before going in to a joint venture with them, and we would be tagging on to it. We are spending time with the representatives from DCI and looking at what they want to accomplish.

Strategic Planning Meeting Update – the hospital will continue to move forward as we do our planning document and we have identified things to act on now. Quality, patient safety, growth and our people are at the fore front in our planning. The need to be competitive and have our staff compensated for retention is being addressed. We will be moving forward with market increases in selected positions within the hospital. This will have an impact on the hospitals' fiscal year. There will be \$450K through the final 9 months of our fiscal year with market adjustments in selected positions.

Teamwork Training – There is continued work being done in the TeamSTEPPS training process. The Operating Room and Women's Health unit will be going through the training. This is a solid program and will benefit our organization greatly as we continue to create a culture of quality and safety.

Growth Discussion – Service line growth continues to remain a focus. The Intensive Care Unit (ICU) and Transitional Care Unit (TCU), Hospice and Home Care are in great need for attention and investment to enhance the care within our facility. Also in need of attention is our internal medicine practice. There are two additional physicians coming into the practice and already a need for space, plus a need of consistency for patient access, we will look at another medical office

building within the next 12 to 18 months. With all the areas mentioned being equally important to the success of the hospital, we need to move forward with estimates of cost and how to make things happen. We have to operate the hospital as a business and to grow with continued support from The Foundation and the community. Currently, we are not a tax supported entity, we are not a critical access hospital and we need to be competitive in pricing for services. We need to centralize our internal medicine operation; good facilities and a good organization are needed to keep our physicians, with an efficient plan in place for growth.

Environmental Safety / Security Officer – It is the recommendation of the hospital to appoint Rob Forister as the Security Officer. This is a Joint Commission requirement to have someone appointed to take immediate action to solve a security issue. The security officer is responsible for the safety and security of the staff, visitors, facility and grounds. Ron Mischke moved to approve the appointment. Gene Davis seconded the motion. Motion carried.

Emergency Management Update – Senior staff have been working on an Ebola preparedness plan. The plan has been practiced with staff involvement and to drill on different components of the plan. There have been drills on the donning and doffing of PPE (personal protective equipment). The CDC recommends that no skin shows when in contact with an Ebola patient. The donning and doffing of the PPE is very systematic so there is no contamination. Surgical services (who don and doff regularly for surgery) will act as observers to ensure compliance and reduce the risk of exposure. The general plan in place is from the CDC. High risk to staff is being in direct contact with someone with Ebola and caring for them (in contact with bodily fluids). The leaders continue to monitor any changes in requirements from the CDC and in practicing drills with the staff.

The “incident command” was touched on. Leaders are in the background during major events taking care of the details so that staff can concentrate on the patient. All hospitals have the same, efficient structure in place that is used during a crisis.

Mackenzie Mudd was introduced to the Board as the Director of Nursing. Mackenzie is a Colorado native who worked for Centura Health and she is excited to bring some new plans and processes to Sheridan Memorial Hospital.

FINANCE COMMITTEE REPORT

Audit Report FY 2014

Mr. Jerrel Tucker, CPA from TCA Partners, LLP presented the FY2014 audited financial report. The audit report contained an unmodified opinion, (the naming of the opinion has changed) 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 06.30.14 for review by the Board of Trustees. Mr. Tucker made note of some of the most significant financial changes during the FY2014 year. He explained that most hospitals suffered with

the EMR conversion; Sheridan Memorial Hospital did a very good job in preparing, fixing and implementation of the system.

Mr. Tucker continued with an overview of the FY2014 year. He expressed how well organized the financial information was for his review. Mr. Tucker stated that some of MHSC ratios are outside of what they consider the typical range, but this is not uncommon in a hospital of our size. There was an \$8M increase in patient revenue from last year. Our deductions from revenue continue to stay reflective of the activity and our bad debts stayed consistent as well. There is a very low denial rate which indicates our front end processes are good. With the Affordable Care Act, there is a large patient component to the payment. Overall the Hospital had a good year and we are doing quite well. Mr. Tucker stated that competent internal controls are in place as well.

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. Dr. Strahan seconded the motion. Motion carried.

The Finance Committee Chair turned the floor over to the CFO who reports that the September results showed a good month, with outpatient revenue the highest it has been. We were lower in patient revenue and purchases. There is a positive bottom line in the amount of \$330K and the balance sheet is strong.

BUILDING COMMITTEE REPORT

The Building Committee reports movement on all projects, i.e., the roof, flooring, generator, and the façade (brick work). Construction on the Williams building is progressing by O'Dell Construction, with a projected move in date of December 2014.

OTHER BUSINESS

Ada Kirven, Foundation Director, presented a check in the amount of \$300,200 to the hospital which constitutes \$200,000 from the Helmsley Charitable Trust and \$100,200 in pledge payments.

EXECUTIVE SESSION

With no further business, the meeting moved into closed session at 4:10 p.m. for discussion of real estate, personnel and legal matters.

The meeting then reconvened into public session at 4:40 p.m. Action was taken on privileging matters. See Medical Staff report above.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 4:41 p.m.

David Smith, Secretary

Patty Forister, Recorder