

**MINUTES FROM THE REGULAR MEETING
MEMORIAL HOSPITAL OF SWEETWATER COUNTY
BOARD OF TRUSTEES**

April 5, 2017

The Board of Trustees of Memorial Hospital of Sweetwater County met in regular session on April 5, 2017, at 3:00 PM with Mr. Richard Mathey, President, presiding.

CALL TO ORDER

Mr. Mathey called the meeting to order and announced it as a regular meeting. He said the start time was moved from 5:00 PM to 3:00 PM due to the intent to leave earlier than previous meetings. Mr. Mathey announced there was a quorum. The following Trustees were present: Mr. Taylor Jones, Mr. Richard Mathey, Mr. Bob Scott, Dr. Barbara Sowada, and Mr. Ed Tardoni.

Officially present: Ms. Irene Richardson, CFO & Interim CEO; Dr. David Dansie, Medical Staff President; Mr. Jim Phillips, Legal Counsel; and Mr. John Kolb, Sweetwater Board of County Commissioners.

Mr. Mathey led the audience in the Pledge of Allegiance.

APPROVAL OF MINUTES

The motion to approve the minutes of the February 28, 2017, special meeting as presented was made by Mr. Jones; second by Mr. Scott. Motion carried. The motion to approve the minutes of the March 8, 2017, regular meeting as presented was made by Mr. Jones; second by Mr. Scott. Motion carried. The motion to approve the minutes of the March 16, 2017, special meeting as presented was made by Mr. Scott; second by Mr. Jones. Motion carried. The motion to approve the minutes of the March 27, 2017, special meeting as presented was made by Mr. Scott; second by Mr. Jones. Motion carried.

COMMUNITY COMMUNICATION

Mr. Mathey invited members of the community to address the Board. There were no comments.

OLD BUSINESS

Mr. Mathey said the primary purpose of the March 27 meeting was to review the CEO applications and six applications were selected. He said that before we proceed to further narrow the search, wouldn't it be wise to figure out where the organization is going. Mr. Mathey said it would be best-advised to continue to discuss at this meeting. Each Trustee shared their opinions. Ms. Richardson said she feels our first priority is to hire someone to direct the Clinic. She distributed a draft organization chart and job description. The motion to temporarily suspend the CEO search and focus on a search for a director of the Clinic was made by Mr. Scott; second by Mr. Jones. Motion carried.

Mr. Mathey said Mr. Jerry Klein has filed suit. Ms. Keri Chorazewitz has filed suit, also. We will submit the information to our insurance company to see if they will cover defending it. If not, Mr. Mathey recommends to the Board we hire someone and defend vigorously.

INTERIM CEO REPORT

Ms. Richardson reviewed recent activities and thanked staff and physicians for their help. She has been meeting with providers to discuss improved efficiencies. Ms. Richardson met with Castle Rock leaders and we hope to make strides to work together for collaboration. She met with the Aspen Mountain CEO and we are looking at ways for collaboration. The ribbon cutting for the 3000 College Drive location is scheduled April 26 at 5:30 PM in cooperation with the Rock Springs Chamber of Commerce. This will be an opportunity to see the building and meet providers. Ms. Richardson said she received a letter of resignation from Dr. Richard Shamo and a letter of resignation from Dr. Jeff Johnson. She thanked both for their service. Ms. Richardson said she met with representatives of the University of Utah to discuss our affiliation, contracts and services. We continue to discover ways to improve our financial performance. Budget meetings begin April 6. Ms. Richardson said we must submit our funding request to the County Commissioners by April 21. We will present a preliminary budget to the Finance and Audit Committee in April, workshop in May, and then present to the full Board at their June meeting. Ms. Richardson said the County Commissioners have offered to assist us in not breaking our days of cash on hand requirement and we very much appreciate their offer of support. Ms. Richardson thanked everyone for their support of her in this role during the transition.

BUILDING AND GROUNDS COMMITTEE

Mr. Jim Horan, Facilities Director, reported the Building and Grounds Committee reviewed liquidated damages pertaining to the Emergency Department Reception Desk project. The quality of workmanship of the area was poor and not up to specifications. Mr. Mathey asked that Mr. Phillips and Ms. Suzan Campbell, In House Counsel, review the information and make a recommendation to the Board. Mr. Horan said the Dialysis area floor drains work is still not completed. Mr. Horan said Hogan Construction reports they have a plan to complete the work. The MRI replacement in Medical Imaging is up and fully functional. The Committee continues to discuss SLIB Grant opportunities.

FINANCE AND AUDIT COMMITTEE

Ms. Richardson reviewed the narrative and reported a loss for February. She said expenses were down in February but over budget for the month and year-to-date. She said expenses have outpaced revenue for the eight months of the fiscal year. We ended with 88 days of cash on hand, which was down three days. We are projecting we will be at 89 days for March, 84.6 days at the end of April, and back up to 86.65 days for May. We have three pay periods in June and that impacts cash so our projection is 85.46 at the end of June. Ms. Richardson said there are many variables and things can change. We have tried to account for known information and are hoping to see more efficiencies as we move into July. We monitor these numbers very closely every month and will communicate where we are. Ms. Richardson said we received Title 25 funds from the County Commissioners and we are very grateful. She said the outlook for March is that volume is coming in under budget and expenses are expected to come in over budget. Ms. Richardson reviewed the Clinic financial statement. She said the budget was based on the prior year volume. Ms. Richardson said we continue to clean up old accounts receivables in the Clinic. The Clinic historically has a more favorable payer mix than the Hospital. Our major expenses are salary, wages and benefits. Commissioner Kolb said everybody supports this Hospital and we

want this to succeed. He requested a graph to show the public what would have happened if nothing was done to correct our downward trend of days of cash on hand. Ms. Richardson said she will work on presenting that information.

Mr. Scott said Ms. Tracie Soller, Medical Imaging Director, approached the Finance and Audit Committee regarding the need for a new CT for next year. He said the Board has to provide approval before she can order the equipment. Mr. Scott said he instructed her to verify the aggregate cost and bring it back to the Board. Ms. Richardson said we discussed the option of leasing instead of purchasing.

The motion to approve the investments recommendation of \$16,933,933.72 at Bank of the West, Key Bank, and Wyo Star, as presented was made by Mr. Scott; second by Mr. Jones. Motion carried.

The motion to approve certifying the bad debt of \$540,538.43 as presented was made by Mr. Scott; second by Dr. Sowada. Motion carried.

FOUNDATION BOARD

Mr. Mathey reported there was not anything to report since last month so the motion to delete this report from the agenda was made by Mr. Scott; second by Mr. Jones. Motion carried. Ms. Tiffany Marshall, Foundation Director, reminded the Board of the joint meeting April 27.

QUALITY COMMITTEE

Ms. Stephanie Mlinar, Administrative Nurse Director, distributed information to the Board and reviewed the Midas System. She said the hospital compare website information is delayed data. She said that what we are doing now affects our reimbursement in 2020. It is a very complex formula and a moving target. Dr. Sowada asked if there is a plan for improvement. Ms. Mlinar said, yes, there is a plan and it is best addressed by directors. She said there is no road map yet. Ms. Mlinar said there is room for improvement regarding Emergency Department wait times and we have a plan. When asked by Dr. Sowada if they need a "champion," Ms. Mlinar said they are working on it and nursing directors have a work team getting together.

NEW BUSINESS

Mr. Mathey said the Board will review contracts for approval. Ms. Campbell said this is a new process.

The motion to approve and authorize Ms. Richardson to sign the Hospice of Sweetwater County agreement on behalf of the Hospital was made by Mr. Tardoni; second by Mr. Jones. Motion carried.

Ms. Rachelle Morris, Director of the Early Learning Center at Young at Heart, said they have been working with the Hospital since 2009 when they were known as Bright Horizons. They said they provide a benefit to Hospital employees by offering priority access and a lower rate subsidized by the Hospital. Ms. Richardson said the benefit is recruitment and retention of staff. The motion to approve and authorize Ms. Richardson to sign the Young at Heart Senior Center

childcare agreement on behalf of the Hospital was made by Mr. Scott; second by Dr. Sowada. Motion carried with one nay vote.

Ms. Renee Petty, Pharmacy Director, reviewed our current after hours pharmacy process and said the proposal will offer savings and is in the best interest of our patients. She said the change will elevate our level of care and save money in the process. The motion to approve and authorize Ms. Richardson to sign the Cardinal Health Pharmacy Services Agreement on behalf of the Hospital was made by Mr. Scott; second by Mr. Tardoni. Motion carried.

Mr. Ron Gatti, Sweetwater Medics, said they have been transporting the Hospital's behavioral health patients at the Hospital's request and being paid by invoice. This request is to formalize the relationship and have a contract for payment. The motion to approve and authorize Ms. Richardson to sign the agreement on behalf of the Hospital with changes made that Sweetwater Medics shall bill insurance when applicable (rather than may) and review price increases annually (rather than automatic increases) as discussed was made by Dr. Sowada; second by Mr. Scott. Motion carried.

Ms. Campbell presented a Memorandum of Understanding for Health Research and Educational Trust (HRET) on behalf of Ms. Amanda Molski, Quality Director. The motion to table approval of the request so that Ms. Campbell may obtain more information on who is entering into the agreement and for what purpose as discussed was made by Mr. Jones; second by Dr. Sowada. Motion carried.

The motion to approve and authorize Ms. Richardson to sign the support services agreement with Merge Healthcare Solutions for PACS on behalf of the Hospital was made by Mr. Scott; second by Mr. Jones. Motion carried.

The motion to approve and authorize Ms. Richardson to sign the Shriner's Telehealth Amendment on behalf of the Hospital was made by Mr. Tardoni; second by Mr. Jones. Motion carried.

The motion to table approval of the FiberTech request until we obtain additional bids was made by Mr. Jones; second by Mr. Scott. Motion carried.

The motion to table approval of the Martin Rey Laundry Systems request until we obtain additional bids was made by Mr. Jones; second by Mr. Tardoni. Motion carried.

The motion to table approval of the NOLS Wilderness Medicine Cooperative Education Agreement until we obtain more information was made by Mr. Scott; second by Mr. Tardoni. Motion carried.

The motion to table approval of the ARUP End User Agreement until we obtain more information was made by Mr. Jones; second by Dr. Sowada. Motion carried.

The motion to approve and authorize Ms. Richardson to sign the ALCOR Scientific agreement on behalf of the Hospital if the warranty is April 19, 2017, was made by Mr. Scott; second by Mr. Jones. Motion carried.

The motion to approve and authorize Ms. Richardson to sign the Zimmer BioMet pricing agreement on behalf of the Hospital was made by Mr. Jones; second by Mr. Tardoni. Motion carried.

Ms. Tasha Harris, Cancer Center Administrative Director, presented a quote from Sun Nuclear for a service agreement on our radiation beam and IC profiler. The motion to approve and authorize Ms. Richardson to sign the Sun Nuclear service agreement on behalf of the Hospital was made by Dr. Sowada; second by Mr. Scott. Motion carried.

Ms. Harris presented a request for entering into a service agreement with Protura for our robotic couch. The motion to approve and authorize Ms. Richardson to sign the Protura service agreement for one year on behalf of the Hospital was made by Mr. Jones; second by Mr. Scott. Motion carried.

Mr. Mathey said it was a lengthy process but beneficial and legal for the Board to handle the review and approval in this manner.

HUMAN RESOURCES COMMITTEE

Ms. Amber Fisk, Human Resources Director, reviewed turnover and job postings information. Mr. Jones asked if the salary wage change for nurses has had an impact. Ms. Fisk said it is definitely paying off. We had 26 open positions and now have 10. The wage increase has helped with retention, too, and we have been able to reduce travelers. Ms. Fisk said the HR Committee plans to meet monthly. She said Ms. Campbell is working to clean up and streamline policies.

COMMUNITY COMMUNICATION

Mr. Mathey invited members of the community to address the Board.

Dr. Augusto Jamias said he has been the Trauma Medical Director for the past seven years. We are scheduled to have a state trauma survey May 17. He does not expect any changes in our designation, which is the second highest offered. Dr. Jamias said he needs the Board's formal support as part of the survey process. The motion resolving to support the Trauma Program at MHSC authorizing Ms. Richardson to sign a document drafted by Ms. Campbell was made by Mr. Scott; second by Dr. Sowada. Motion carried.

Ms. Jodi Corley, Clinic Physician Quality Coordinator, said she wanted to speak to the importance of quality. The impact related to Quality and Medicare reimbursement is +/- 4% and that is millions of dollars. She said the doctors have been wonderful to work with. Ms. Corley made a plea for the next Clinic Director to have "less hats" so they can focus on the Clinic. We need someone that isn't so busy that you never see them. She said we have great staff, a great group, we just need leadership.

GOOD OF THE ORDER

Mr. Jones said he would like the Board to consider at some point collapsing the Building and Grounds Committee into the Finance and Audit Committee. He said virtually everything that is discussed at Building and Grounds goes to Finance and Audit and then to the Board. Mr. Tardoni thinks a lot of those things won't show up in Finance and Audit because we will find ways around them. In Building and Grounds, we can ask if alternatives have been investigated, what procedures are being used, etc. If we take the time to examine in Building and Grounds, things may drop off instead of being taken to Finance and Audit. Mr. Tardoni feels that Committee is a filter for Finance and Audit.

Mr. Mathey reported Ms. Campbell has already commenced re-writing the Board Committee Charters. She will forward to the Board for review as they become available.

Mr. Scott said he wants the Board to ratify the structure Ms. Richardson distributed with the draft organization chart. Dr. Sowada said she agrees the Board needs to ratify but she has some questions and would like time to review. Mr. Tardoni suggested that may be something for Executive Session. Mr. Phillips said this would not be an item for Executive Session and suggested a work session due to the late hour. Mr. Mathey said the Board will consider the possibility of a workshop to discuss. Workshops are special meetings and require notice.

Dr. Sowada asked if the Clinic budget will be separate. Ms. Richardson said it is broken out separately. She said each provider has their own cost center and we can provide reporting information to that detail. Dr. Sowada said the more detailed information she has, the better her decisions will be.

MEDICAL STAFF REPORT

Dr. Dansie said he is still trying to zero in on what he needs to report and what the Board wants from him in a report. He invites input from the Board. Dr. Dansie said there have been a number of pharmacy policies approved by the Department of Surgery. The Joint Commission mock survey is scheduled April 18 and 19. The Department of Surgery has set a turnaround time for the operating room of 25 minutes. Trauma activation criteria was reviewed, revised and approved by the Department of Surgery. They recommend that all of non-emergency room trained physicians with anything to do with trauma will be ALC certified. At the last General Medical Staff meeting, the University of Utah met regarding Project Echo. This is an extension of community healthcare outcomes. It is a forum where individual cases are presented to experts. The presentation was well-received by the Medical Staff. The stated goals are to transfer knowledge and not patients. The U of U is outreaching their endocrinologist to us to assist with our patients. The priority is Type 1 diabetes patients with the intent to rotate specialists through. Dr. Dansie said the Medical Staff has two scholarships, one for each of the school districts. The Medical Executive Committee proposed a third scholarship be made due to outstanding candidates. The Medical Staff took donations to create the third scholarship. On behalf of the Medical Staff, Dr. Dansie thanked the Board and staff for the Doctor's Day Luncheon. Dr. Dansie said we will have a state trauma survey May 17. He thanked Dr. Shamo and Dr. Johnson and said they will be missed. Mr. Tardoni said he recently visited the Clinic and observed patients were being efficiently handled and everybody was engaged. He said it was impressive.

EXECUTIVE SESSION

The motion to go into Executive Session to discuss credentials was made by Mr. Scott; second by Dr. Sowada. Motion carried.

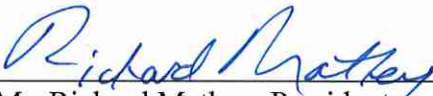
RECONVENE INTO REGULAR SESSION

The Board of Trustees reconvened into Regular Session at 10:10 PM.

The motion to approve the March 13, 2017 Credentials Committee Recommendations as follows for appointment to the Medical Staff was made by Mr. Scott; second by Dr. Sowada. Motion carried.

1. Initial Appointment to Locum Tenens Staff (1 year)
 - Dr. Roberto Fars, Hospitalist
2. Initial Appointment to Active Staff (2 years)
 - Dr. Jessika Dingwall, Radiology
 - Dr. Richard Endorf, Radiology
3. Initial Appointment to Consulting Staff
 - Dr. Marta McCrum, Tele ICU (U of U)
 - Dr. Gavin Arnett, Tele Radiology (VRC)
 - Dr. Christian Van Kirk, Tele Radiology (VRC)
 - Dr. John Bodenhamer, Tele Radiology (VRC)
4. Reappointment to Active Staff (2 years)
 - Dr. Steven Croft, Anesthesia
 - Dr. David Dansie, Family Practice
5. Reappointment to Consulting Staff (2 years)
 - Dr. Frank Rembert, Tele Radiology (VRC)
 - Dr. Maria Colombo, Tele Radiology (VRC)

There being no further business to discuss, the motion was made, second and carried to adjourn. The meeting adjourned at 10:12 PM.


Mr. Richard Mathey, President

Attest:


Mr. Taylor Jones, Secretary