

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

**October 2, 2019**

The Board of Trustees of Memorial Hospital of Sweetwater County met in regular session in the conference room at Castle Rock Hospital District in Green River, Wyoming, on October 2, 2019, at 2:00 p.m. with Mr. Richard Mathey, Vice President, presiding.

**CALL TO ORDER**

Mr. Mathey called the meeting to order and announced a quorum was present. The following Trustees were present: Mr. Marty Kelsey, Mr. Richard Mathey, Dr. Barbara Sowada, and Mr. Ed Tardoni. Excused: Mr. Taylor Jones.

Officially present: Ms. Irene Richardson, Chief Executive Officer, and Dr. Lawrence Lauridsen, Medical Staff President.

Mr. Mathey led the audience in the Pledge of Allegiance. Dr. Sowada read aloud the mission and vision statements.

**APPROVAL OF AGENDA**

The motion to approve the agenda as presented was made by Mr. Kelsey; second by Dr. Sowada. Motion carried.

**APPROVAL OF MINUTES**

The motion to approve the minutes of the August 7, 2019, regular meeting as presented was made by Dr. Sowada; second by Mr. Tardoni. Motion carried. The motion to approve the minutes of the August 29, 2019, special meeting as presented was made by Dr. Sowada; second by Mr. Tardoni. Motion carried.

**COMMUNITY COMMUNICATION**

There were no comments.

**FY19 AUDIT REPORT**

Mr. Darryn McGarvey and Mr. Tyler Johnson from CliftonLarsonAllen (CLA) reviewed the audit results included in the meeting packet. Mr. McGarvey said they reviewed the results in detail the previous week with the Finance and Audit Committee. Mr. Johnson said CLA issued an unmodified opinion, which is a clean opinion. Mr. McGarvey said 2017 had a very big loss and 2018 marked improvements to the operation. He said 2019 was very consistent with 2018. Mr. Kelsey asked if the full-time equivalent (FTE) numbers include nurse practitioners and physician assistants. Mr. McGarvey replied, yes, they are included. Mr. Mathey asked how it stacks up to a physician practice. Mr. McGarvey said it would be comparing apples to oranges somewhat because



in a physician-owned practice, the owner cannot take a loss. If the owner, the physician drives operating in the black and added that is why you see so many physicians merging and going with health systems because it is very difficult to be in the black. The production numbers included in the report are for clinic providers. Mr. McGarvey said the Hospital has done a good job with recuperating on days of cash on hand. He said that is an important benchmark to keep an eye on because 75 days are required in the bond covenant. Mr. McGarvey said to move from 88 to 135 days in two years is impressive. Mr. Mathey asked for a days of cash on hand comparison with other Wyoming hospitals. Mr. McGarvey said anything not restricted or designated is included in the days of cash on hand calculation. He said there was an increase in net days in accounts receivable. Mr. McGarvey said in Wyoming, the Blue Cross Blue Shield issues with their computer system created havoc. With that said, he thinks there are opportunities in the revenue cycle. Bad debt and charity care have remained fairly consistent. Mr. McGarvey said it is consistently higher than industry benchmarks and that is related to where the Hospital is located. He said the important thing to watch is the trend from year to year rather than compare to the industry benchmark. Mr. McGarvey said the debt service ratio is much higher than the industry benchmark and above the 1.25 covenant requirement. The average age of the plant has increased but is still well-below industry standards. Mr. Kelsey asked for information regarding the Hospital retirement plan. Ms. Tami Love, Chief Financial Officer, provided an overview and said we changed to an auto enroll with employees needing to opt out. Mr. Kelsey asked Ms. Love to share more detailed numbers with the Board. Mr. Johnson provided Governmental Accounting Standards Board (GASB) updates including a controversial right of use asset and a 2020 inpatient rule that he encourages everyone to study. Mr. McGarvey offered to provide more information on anything the Board wants to learn more about and said it has been a pleasure working with MHSC and CLA appreciates the relationship. Following discussion, the motion to approve the FY19 audit report as presented was made by Mr. Kelsey; second by Mr. Tardoni. Motion carried.

## **OLD BUSINESS**

### **Credentialing Policy**

Mr. Mathey noted the Credentialing Policy is not ready for review by the Board. Ms. Kerry Downs, Medical Staff Services Supervisor, reported we are waiting for the medical staff bylaws to be complete to make sure they match the policy.

## **NEW BUSINESS**

### **Professional Practice Evaluation Committee Policy**

Ms. Kara Jackson, Quality Director, reviewed the policy. Ms. Downs said the OPPE (Ongoing Professional Practice Evaluation) profile is pulled for everyone up for reappointment and forwarded to the Credentials Committee. She said we have not reported on trends but certainly can. Dr. Sowada said it seems trends that are troublesome or questionable should also come to the Board, as well. Ms. Downs said she will take the request to the Committee to see if we can add a statement on the form. Ms. Downs said emergency department doctors are required to do the FPPE (Focused Professional Practice Evaluation) like everyone else. Mr. Mathey requested the removal of "of" and just keep "which." He said he likes that the statutory underpinnings of the process are included right in the policy.



## CHIEF EXECUTIVE OFFICER REPORT

Ms. Richardson provided a Strategic Plan update. She said approximately 40% of staff have completed the person centered care workshops. She has been told we need about 60% of staff trained to see a culture change. Ms. Richardson reported we are looking at some different options for Lean. She said Dr. Sowada has been sharing some information with her about Lean and person centered care and that has been very helpful. We continue working on community health needs, workplace experience, and financial stewardship efforts. Mr. Mathey said the work furthers the goal of making the Hospital an employer of choice.

## COMMITTEE REPORTS

### Quality Committee

Dr. Sowada said the report and dashboard are in the meeting packet. She thanked Ms. Jackson and her team for presenting a fabulous quality workshop in August. Dr. Sowada said the narrative each month catches us up on what is happening with quality. She said the Safety Committee work is beginning and will have a separate focus on safety. Dr. Sowada expressed appreciation to the Medical Staff for supporting Dr. Cielette Karn in her role with quality. Dr. Sowada said a lot of good things are happening.

### Human Resources Committee

Mr. Tardoni reported the Committee continues to work with the telecommute policy. He said there has been discussion of telecommute vs. telework. He believes there will probably be a telework policy at a later date. Mr. Tardoni said human resources staff report turnover is at a historical low. Staff report 90% of turnover is during the probationary period. Mr. Tardoni said this tells him that the probationary period is being taken seriously by employees and the Hospital. Mr. Mathey asked for the turnover rate with the probationary period terminations removed.

### Finance and Audit Committee

**Capital Expenditures:** The motion to approve FY20-16 for the roof fall protection project as recommended by staff and presented for a two-part total of \$271,347.76 was made by Mr. Kelsey; second by Mr. Tardoni. Motion carried. Mr. Tardoni said we need to be aware there may be additional costs related to movement of equipment by elevator or other means. He said he will bring it up at the Building and Grounds Committee meeting. Mr. Kelsey said the Rock Springs company says it is an estimate, not a bid, but we are considering a firm bid unless the scope of work changes. Mr. Mathey directed Ms. Love to ensure it is a firm bid before signing anything.

**Narratives:** Ms. Love reviewed the narrative highlights included in the meeting packet. Revenue and reductions of revenue were over budget. We had 129 days of cash on hand. Approximately \$900,000 in capital reimbursements went out. Expenses were under budget. Ms. Love reported her team has shifted their focus to reductions of revenue and created a new revenue cycle team. They are looking at billing and collection opportunities. Mr. Kelsey noted the narrative report has expanded from what it used to be. He said we have a sizeable issue with Blue Cross Blue Shield. Mr. Kelsey said we are going to climb back out and have a really good staff working on this. He said we have a lot of head winds financially and an uphill climb. Ms. Love said Blue Cross Blue



Shield is working on coordination of benefit issues. Mr. Kelsey said he really likes the focus on this issue and goals each month. Ms. Richardson said we are watching during the month to try to adjust rather than waiting until the month closes. Ms. Love said we have made changes to our reduction model. Mr. Ron Cheese, Patient Financial Services Director, said we are holding in excess of \$300,000 in peritoneal dialysis we can't charge due to waiting for the Wyoming Dept. of Health inspection and certification. He said we are allowed to backfill to submit after we receive the certification. Mr. Mathey said he thinks it is time to make a call to the State. Ms. Richardson said she will make the call. Mr. Kelsey noted the clinic provider report shows about at budget.

***Bad Debt:*** The motion to approve the net potential bad debt of \$991,764.04 for August and \$1,178,115.13 for September as presented by Mr. Cheese was made by Mr. Kelsey; second by Dr. Sowada. Motion carried. Mr. Cheese said the majority of bad debt comes through the emergency department. He shared a recent success story with a cancer patient through the efforts of the patient navigator. Mr. Cheese said that happened due to the support of the Board. One of the reasons to look at starting an urgent care facility is to try to decrease that reduction of revenue to place it correctly. We should start to see that allowance move down.

### **Building & Grounds Committee**

Mr. Tardoni said changes in maintenance metrics related to cleaning up the work order system has been relatively stable which is an indication we are handling maintenance and not letting things get ahead of us. He said Mr. Jim Horan, Facilities Director, said he wants to do some electrical work on his own as long as it is routine maintenance. Mr. Mathey thanked Mr. Tardoni for the very good work he has done on the Committee and said he has seen a big change to an orderly, manageable Committee.

### **Foundation Board**

Ms. Tiffany Marshall, Foundation Director, announced Ms. Kelly Sugihara, Wyoming Cancer Resource Services, has resigned from the Foundation Board due to her workload. Ms. Marshall said she still supports the Foundation. The Medical Staff approved Dr. Joseph Oliver as their representative to the Foundation Board. Ms. Marshall said the Board rescinded Ms. Teresa Noble's resignation and she will remain the Treasurer. There are currently nine members of the Board and there are no changes in officers. Ms. Marshall reported the golf tournament in August brought in record numbers in participation and revenue. The Gala is around the corner on February 1. A patient is checking in at the Waldner House in the next week and will be staying for 10 weeks over the winter. The patient is very grateful to the Hospital and the Foundation. Ms. Marshall reported we are working on obtaining wireless fetal monitors for OB. The Foundation approved purchasing new emergency department examination room chairs following a suggestion by the Patient and Family Advisory Council. Ms. Marshall announced the community Christmas event will be Friday, December 6.

Mr. Mathey announced a five-minute recess.

Mr. Mathey called the meeting back to order at 4:00 p.m.



### **Compliance Committee**

Dr. Sowada said there is nothing outstanding to report. The Grievance Committee will be funneled through the Compliance Committee. Ms. Richardson said the Grievance Committee has started meeting weekly. A cyber risk has been added to the risk assessment list. Mr. Kelsey clarified the Grievance Committee is looking at patient grievances only and Ms. Richardson confirmed, yes, with the focus being on addressing grievances in a timely manner.

### **Governance Committee**

Mr. Mathey said he and Dr. Sowada met recently and he has not finalized the minutes yet. He will forward them to the Board when available. Dr. Sowada said as a Board, we need to do the self-evaluation. At the last Board meeting, the group agreed they would put their own together. She said the Board needs to think about a time to do that self-assessment. She said it will more in a dialogue format and suggested early November. Dr. Sowada said it would take an hour or two set aside for that work. Mr. Mathey said he would prefer to add it to the regular meeting instead of having a special meeting.

### **Joint Conference Committee**

Ms. Downs reported they are working on the second half of the medical staff bylaws. A medical staff bylaws meeting is scheduled October 14.

## **CONTRACT REVIEW**

Mr. Tardoni expressed concern with the Gallagher agreement. He said the information in the packet implicates it is for \$23,990 but it is not, it is a three-year contract for \$71,970. Ms. Suzan Campbell, Chief Legal Executive and General Counsel, said she will amend the checklist information to make that clear. She said she removed the service fee language following the request of the Board at the previous meeting. Ms. Campbell said we only have to commit to two more surveys in the next 10 years. We are just committing to do one for \$23,990. Mr. Tardoni said the Human Resources Charter says we will do one every two years. Mr. Mathey asked Ms. Campbell to include that information in the summary. Ms. Campbell said Ms. Amber Fisk's, Human Resources Director, understanding is we get a report after each one as they are stand-alone. Mr. Tardoni said one of the challenges we had was finding out where contracts were and stopping auto-renewal and the Gallagher agreement is another one. Ms. Campbell said she will ask if they will do one for one time. Mr. Tardoni said the Press Ganey agreement presented for approval is another auto-renewal. He said he wants to be aware there is some person looking at this language to make sure we comply and they comply. Ms. Campbell assured the Board Mr. Clayton Radakovich, Director of Compliance and Risk Management, is tracking all contracts and giving 90-day notice reminders so we stay on top of renewals.

Following discussion on the Press Ganey agreement, the motion to authorize the CEO to execute the contract on behalf of MHSC as presented was made by Dr. Sowada; second by Mr. Kelsey. Motion carried.



## **MEDICAL STAFF REPORT**

Dr. Lauridsen reported the Medical Staff met September 24. With Dr. Curry leaving, Dr. Karn was elected as the new Vice President. The Medical Executive Committee met September 17. Dr. Rahul Pawar was elected to serve on the Nominating Committee. Dr. Oliver was elected to serve on the Foundation Board. Dr. Lauridsen said Dr. Tony Pedri started October 1. Dr. Brianne Crofts received the Wyoming Outstanding Alumni Award. Dr. Lauridsen thanked Administration for the fun movie night for the Medical Staff and Admin Staff. He said nursing home reimbursement is changing and steps are already being taken to see how to streamline this process. Dr. Lauridsen said we need to focus on how we care for the community.

## **GOOD OF THE ORDER**

Mr. Tardoni said he attended the Miners' Hospital Board quarterly meeting in August. Their local office is now located in the Rocky Mountain Bank Building on the second floor. Mr. Tardoni asked everyone to help spread the word about benefits for miners. They are also struggling with processing claims due to some difficulties with the firm that has been doing the work. He said there are very few firms that do this processing.

Mr. Kelsey said at the last HR Committee meeting he learned that staff is working on a consulting study to help HR better-organize what we have. In national news, the Campbell County hospital with a ransomware hack made national news. Mr. Kelsey said he has been advocating for some time now that we hire a firm to come in and attack our system. It was said Mr. Rich Tyler, Information Technology Director, is working on it. Mr. Kelsey strongly suggests we do this. He said we cannot prevent every possibility but we can prevent one. He strongly encourages senior management to take a strong look at it.

## **EXECUTIVE SESSION**

The motion to go into Executive Session for personnel reasons was made by Mr. Kelsey; second by Dr. Sowada. Motion carried.

## **RECONVENE INTO REGULAR SESSION**

The motion to reconvene the meeting at 5:47 p.m. was made by Mr. Kelsey; second by Dr. Sowada. Motion carried.

## **ACTION FOLLOWING EXECUTIVE SESSION**

### **Approval of Privileges**

The motion to approve the September 10, 2019, Credentials Committee Recommendations for physician and healthcare providers credentials as presented was made by Dr. Sowada; second by Mr. Kelsey. Motion carried.


1. Initial Appointment to Consulting Staff (1 year)
  - Dr. Jason Mathis, Dermatology (U of U)

2. Reappointment to Active Staff (2 years)
  - Dr. Alicia Peterson, Emergency Medicine (U of U)
  - Dr. Justine Macneil, Emergency Medicine (U of U)
3. Reappointment to Locum Tenens Staff (1 year)
  - Dr. Kamran Khan, Pulmonary Medicine
4. Reappointment to Consulting Staff (2 years)
  - Dr. Safdar Ansari, Tele Stroke (U of U)
  - Dr. Richard Rossin, Tele Radiology (VRad)
  - Dr. Michael Rethy, Tele Radiology (VRad)
  - Dr. Gregory Kenyherz, Tele Radiology (VRad)
  - Dr. William Brann, Cardiovascular Disease (Heart and Lung Institute)
5. Reappointment to AHP Staff (2 years)
  - Charles Michael, Licensed Social Work (SWCS)

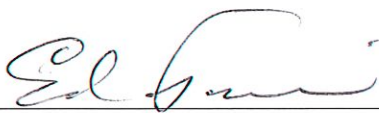
The motion to authorize the CEO to execute a physician contract as discussed in executive session was made by Mr. Kelsey; second by Mr. Tardoni. Motion carried.

#### **ADJOURNMENT**

There being no further business to discuss, the meeting adjourned at 5:49 p.m.

  
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Mr. Taylor Jones, President

Attest:

  
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Mr. Ed Tardoni, Secretary