

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

October 4, 2017

The Board of Trustees of Memorial Hospital of Sweetwater County met in regular session on October 4, 2017, at 2:00 PM with Mr. Richard Mathey, President, presiding.

CALL TO ORDER

Mr. Mathey called the meeting to order and announced there was a quorum. The following Trustees were present: Mr. Marty Kelsey, Mr. Taylor Jones, Mr. Richard Mathey, 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 September 6, 2017, regular meeting as presented was made by Mr. Jones; second by Mr. Tardoni. Motion carried.

COMMUNITY COMMUNICATION

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

FY17 AUDIT

Mr. Darryn McGarvey with CliftonLarsonAllen introduced himself, reviewed the audit process, and reviewed information provided to the Board in their meeting packet. Mr. Mathey asked for clarification on timing. Mr. McGarvey said CliftonLarsonAllen provides a comparison between the previous year and audit year. The auditors worked to gain an understanding of the control process. The goal was to understand the cycles of the organization. Mr. McGarvey said CliftonLarsonAllen has been working with the Hospital since 2009. There were a number of material weaknesses regarding internal controls at the beginning they asked the Hospital to correct. There were none this past year. Mr. McGarvey said the audit year was not a good year from a payer mix perspective. Productivity for the Hospital and medical group was not favorable. He said the total margin does include special purpose tax money. A write-off of a number of architect fees for a project the Hospital decided not to move forward with is included. Mr. McGarvey said the organization has performed well over the past four years. In FY17 there was substantial revenue loss but the Hospital had favorable cash flow. A bright spot is net days in accounts receivable. The Hospital saw a 10-day improvement and that is very important. Mr. McGarvey said the average age of plant is fairly well under the industry benchmarks for the age

of plant. He reviewed industry trend highlights at the federal level. Mr. Jones commented on the length and thoroughness of the audit. Mr. Mathey thanked Mr. Ron Cheese, Patient Financial Services Director, for the increase in collections and decrease in collection time. Mr. Kelsey said he thinks the audit presentation and materials format is very well done. The motion to accept the audit report from CliftonLarsonAllen for FY17 as presented was made by Mr. Kelsey; second by Mr. Jones. Motion carried.

MEDICAL STAFF REPORT

Dr. Dansie, President of the Medical Staff, reported both the medicine and surgery departments met. Dr. Dansie reported on elections, a reduction in medical staff due to resignations, and reported the bylaws committee continues their work. The bylaws committee is reviewing the draft provided by legal counsel. The medical staff is formulating questions. Mr. Mathey asked Ms. Richardson to forward copies of the draft bylaws to Board members.

EXECUTIVE SESSION

Mr. Mathey said the purpose of the executive session is to discuss credentials and personnel. The motion to go into Executive Session was made by Mr. Jones; second by Dr. Sowada. Motion carried.

RECONVENE INTO REGULAR SESSION

The Board of Trustees reconvened into Regular Session at 4:16 PM.

CREDENTIALS

The motion to approve the September 11, 2017, Credentials Committee Recommendations as follows for appointment to the Medical Staff was made by Dr. Sowada; second by Mr. Jones. Motion carried.

1. Initial Appointment to Active Staff (2 years)
 - Dr. Alicia Peterson, Emergency Medicine
 - Dr. Justine Macneil, Emergency Medicine
2. Initial Appointment to Consulting Staff (2 years)
 - Dr. Humphrey Mansfield, Tele Radiology (VRC)
3. Reappointment to Active Staff (2 years)
 - Dr. Brianne Crofts, General Surgery
4. Reappointment to Locum Tenens (1 year)
 - Dr. Philip Craven, Emergency Medicine
5. Reappointment to Consulting Staff (2 Years)
 - Dr. Gregory Kenyherz, Tele Radiology (VRC)
 - Dr. Keiron Kennedy, Tele Radiology (VRC)
 - Dr. Barbara McCorvey, Tele Radiology (VRC)
 - Dr. Stephen Morris, Tele Burn (U of U)

OLD BUSINESS

CEO

Mr. Mathey distributed a prepared statement and read it aloud. He said he put the CEO item on the agenda with the intent of asking the Board to remove “interim” from her title and ask the Board to offer Ms. Richardson the position of CEO. The motion to offer Ms. Richardson the position of CEO was made by Mr. Jones; second by Mr. Tardoni. Motion carried.

Mr. Phillips was excused for the remainder of the meeting.

Committee Charters

Joint Conference Committee Charter: The motion to approve the Joint Conference Committee Charter as presented was made by Dr. Sowada; second by Mr. Jones. Motion carried.

Building and Grounds Committee Charter: The motion to approve the Building and Grounds Committee Charter as presented was made by Mr. Jones; second by Dr. Sowada. Motion carried.

Quality Committee Charter: The motion to approve the Quality Committee Charter as presented was made by Mr. Jones; second by Dr. Sowada. Motion carried.

Finance and Audit Committee Charter and Spending Authority Matrix: Still under review.

Contract Policy: Still under review.

Bylaws

Ms. Suzan Campbell, Chief Legal Executive/General Counsel, reported she, Dr. Sowada and Mr. Mathey have been meeting weekly. She reviewed the draft in the meeting packet and said she will make the changes as suggested. Mr. Mathey asked Ms. Campbell to cite statutes when applicable. An updated draft will be provided to the Board for review. The motion to table for further review was made by Mr. Kelsey; second by Mr. Jones. Motion carried.

OLD BUSINESS

Bylaws

Ms. Suzan Campbell, Chief Legal Executive/General Counsel, reviewed highlighted questions. Mr. Mathey said the Board may approve a process to review and approve contracts. He said he wants the Board to have the right to look at anything they want to look at. He suggested striking the meeting time, adding Building and Grounds to standing committees, and striking “complete authority” sentence. Mr. Mathey asked Dr. Dansie for the history of medical staffs and asked if there are governing statutes. Mr. Kelsey commented on the difference between bylaws and rules and regulations. Mr. Kelsey said the Board has the authority to adopt a mission statement. Ms. Campbell offered to make the suggested changes and return to the Board for review. Mr. Kolb

said statute specifically addresses County Memorial Hospital ability to indebt itself. He asked for it to be looked into with the Board attorney regarding interpretation. Mr. Kolb asked to add appoint and remove instead of just appoint. Mr. Mathey suggested working in that we are a five-member Board because the Board of County Commissioner said five but that could change. The County Commissioners determine the size of the Board and they do have the power to remove.

Mr. Mathey said the Board would take a 10 minute recess. The Board reconvened at 5:43 PM.

NEW BUSINESS

Mission Statement and Strategic Plan

Mr. Mathey said the purpose of having on the agenda is to start a conversation. He said he learned this is part of the leadership section of The Joint Commission. Mr. Mathey said he feels the strategic plan should be referred to the Joint Conference Committee. There was a suggestion for the mission statement to be open to everyone. Mr. Mathey nominated Ms. Kristy Nielson, Chief Nursing Officer, to coordinate gathering information. Mr. Kelsey suggested considering the creation of a vision statement, also.

CHIEF EXECUTIVE OFFICER REPORT

Ms. Richardson thanked everyone for their hard work. She reported on the Wyoming Hospital Association annual meeting, Best on Board Trustee education, Pulse of Southwest Wyoming Hospital presentation, emergency bake and book sale, and upcoming Halloween community event. Ms. Richardson welcomed Dr. Bikram Sharma, Hospital Intensivist, and said he will start seeing patients October 9. Ms. Richardson recognized Ms. Kari Quickenden, Chief Clinical Officer, for her recent three-year appointment by the American Hospital Association to their Committee on Clinical Leadership. She recognized Ms. Nielson who was asked by the University of Wyoming to participate in a video for nursing. Ms. Richardson reported the dietitian staff thanked the Board for supporting them in hosting a recent conference on-site. Special recognition was given to Ms. Tami Love, Controller, and Mr. Cheese for their work on the audit.

COMMITTEE REPORTS

Committees Consent Agenda

Building and Grounds: Mr. Jones invited Mr. Jim Horan, Facilities Director, to provide a summary of Committee meeting highlights.

Foundation Board: Mr. Kelsey reviewed the September 28 meeting highlights. Mr. Mathey noted the Foundation Board is not a public board and they should feel comfortable with the information they are providing in the Board of Trustees meeting packets.

Governance Committee: Dr. Sowada said there was nothing to report on the Governance Committee.

Quality Committee: Ms. Amanda Molski, Quality Director, said the QAPI (Quality Assurance and Performance Improvement) Plan is a working document reviewed and updated every year. The plan identifies our high priority areas. Ms. Molski said the plan meets requirements by the Centers for Medicare and Medicaid Services (CMS) and The Joint Commission. Dr. Sowada suggested that in the language of the plan where it says "quality safety" that we add "patient experience." She said to include that language in the plan would keep that in front of people. Dr. Sowada suggested Ms. Molski add "patient experience" throughout the plan. Mr. Mathey asked for a red-line version to the Board to compare. The motion to table approval so the Board members have an opportunity to review in greater detail and for Ms. Molski to present a PowerPoint at the November regular meeting was made by Dr. Sowada; second by Mr. Kelsey. Motion carried.

Finance & Audit Committee

Mr. Jones presented capital expenditure requests FY18-7 and FY18-8 for approval. The motion to approve FY18-7 for \$9,566 for a biological hood for the Lab and FY18-6 for \$2,857.05 for a plasma thawer for the Lab as presented was made by Mr. Jones; second by Mr. Kelsey. Motion carried. The motion to approve the net potential bad debt for September of \$981,215.09 as presented by Mr. Ron Cheese, Patient Finance Services Director, was made by Mr. Jones; second by Mr. Tardoni. Motion carried. The motion to approve investments of \$16,992,716 at Bank of the West, Key Bank and WyoStar as presented by Ms. Richardson was made by Mr. Jones; second by Mr. Kelsey. Motion carried. Ms. Richardson said we do collateral statements with the bank and we are covered regarding FDIC.

Human Resources Committee: Mr. Tardoni reported the ad hoc committee met and he presented three options and one recommendation from the team. The goal is an approach to getting a consistent contract. Mr. Tardoni said the Kaufman Hall proposal for \$72,072 included an estimate of expenses. Their team consists of 20-30 years of experience. Their approach is more like we see come out of the quality committee. The CliftonLarsonAllen proposal for \$73,600 with expenses consists of 20-30 years of experience. This is a separate healthcare consulting division of their company. Their look is more the accounting side of the process. They also propose looking at our billing cycle. Mr. Tardoni said the Board has already approved contract language. This option includes the plan to add language on performance appraisals for providers. Mr. Tardoni said the consensus of the group is we do not favor using a consultant. The group recommendation is to go with what we have. The motion to accept the recommendation of the ad hoc committee as presented was made by Mr. Jones; second by Mr. Kelsey. Motion carried. Ms. Richardson said she will contact Kaufman Hall and CliftonLarsonAllen and let them know of our decision as well as thank them for submitting their proposals.

Mr. Mathey asked Ms. Amber Fisk, Human Resources Director, to provide an update on projects. She said she is starting a critical job analysis for every employee and will be shadowing each position in the organization. She will report more as the project moves forward.

CONTRACT REVIEW

Contract Consent Agenda

Mr. Jones asked to pull the Rumor Service Agreement from the consent agenda for discussion. The motion to approve the consent agenda was made by Dr. Sowada; second by Mr. Jones. Motion carried.

Ms. Deb Sutton, Public Relations and Marketing Director, said we are already paying all of the costs noted in the Rumor agreement. We want to bundle the costs to avoid monthly credit card charges to the Hospital. We have not had a formal agreement with them and were working on a month-to-month basis. Mr. Jones asked if we can do the work without the expense of their services. Ms. Sutton replied we cannot at this time. Rumor has one person working on our account for our website, Facebook and web presence. She said we can do that but we would need to hire another person with that expertise. The motion to approve the agreement as presented was made by Dr. Sowada; second by Mr. Tardoni. Motion carried.

COMMUNITY COMMUNICATION

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

Mr. Kolb congratulated Ms. Richardson and thanked the Board for coming to the conclusion to offer her the position. He said the Board of County Commissioners has been supportive of Ms. Richardson. Mr. Kolb said an issue came up with the Hospital property insurance. The Board of County Commissioners (BOCC) pays a premium for insurance. They are the owners of the property and the insurance coverage the Hospital has is not the type of insurance the BOCC would choose. The County uses Wyoming Association of Risk Management (WARM) to cover all of their assets. Mr. Kolb said we are in the beginning stages of reviewing options and he thinks there is some merit at looking into it. Mr. Kolb proposed the old County Memorial Hospital property would be a great location for storage for the Hospital. He said if it is something the Hospital could use, the BOCC would like us to look at repurposing opportunities. Mr. Kolb expressed appreciation to the Board, Dr. Dansie, and everyone involved in moving things forward in a positive way at the Hospital.

Mr. Cheese thanked the Board for selecting Ms. Richardson. He said she is probably the most trustworthy person he knows and to move from here to where we want to go, she is the right person.

GOOD OF THE ORDER

There were no comments.

EXECUTIVE SESSION

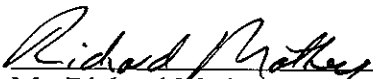
Mr. Mathey said there would be an executive session and he did not anticipate any action being taken at the conclusion. The motion to go into Executive Session was made by Mr. Jones; second by Mr. Tardoni. Motion carried.

RECONVENE INTO REGULAR SESSION

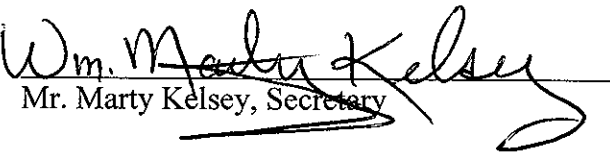
The Board of Trustees reconvened into Regular Session at 8:30 PM.

ADJOURNMENT

There being no further business to discuss, the motion was made, second and carried to adjourn. The meeting adjourned at 8:30 PM.


Mr. Richard Mathey, President

Attest:


Mr. Marty Kelsey, Secretary