



St. John's Health
 P.O. Box 428
 Jackson, Wyoming 83001
 307-733-3636

Committee: Board of Trustees Regular Meeting –Public Session - via Zoom

Meeting Date: May 26th, 2022

Minutes Prepared By: Morgan Gurney, Senior Executive Assistant

Members Present:

Cynthia Hogan, Chair
 Sue Critzer, Secretary
 Scott Gibson, Treasurer
 Mike Tennican, Trustee
 Bruce Hayse, MD, Trustee
 Evan Jones, Trustee

Members Absent:

Katharine Conover-
 Keller, Trustee

Others Present:

Dave Robertson, CEO	Oncology Dept.
John Kren, COO/CFO	Cardiopulmonary Dept.
Thom Kinney	Joan Goldfarb
Morgan Gurney	Rayd
Emergency Dept.	Laura Martien
Dr. Drew Lighthart	Tom Lubnau
Lacey Mendillo	Thom Kinney
Primary Care Dept.	iPhone
Surgery Dept.	The Goettler Group
Seth Robertson	SJH OB Dept.
PACU Dept.	Alisa Lane
Tiffany Logan	OR Dept.
Richelle Heldwein	Casey Jackman
ICU Dept.	Michelle Huntzinger
Jen Simon	307-200-1022
Karen Connelly	307-739-6198
Katelyn	337-781-8167
Louis Kraml	706-951-7686
Mhepworth	440-668-4210

Board Advisors Present:

Jim Little Jr
 Bob Pisano
 Vance Vanier
 Jim Hunt
 Pam Cutler

Call to Order

The public board meeting was called to order at 4:02 p.m. MT by Cynthia Hogan, Chair.

Approval of Minutes

Ms. Hogan presented for approval the minutes of both the March 30th, 2022, Regular Meeting of the Board and the minutes of the April 8th, 2022, Special Meeting of the Board. At the request of Mike Tennican, these were voted on separately since he was not in attendance at both meetings and would otherwise have to abstain.

It was moved by Sue Critzer, seconded by Scott Gibson, to approve the March 30th meeting minutes as presented. The motion carried unanimously.

It was moved by Scott Gibson, seconded by Dr. Bruce Hayse, to approve the April 8th meeting minutes as presented. Mike Tennican abstained. The motion carried.

Ms. Hogan announced that the Vice-Chair of the Board of Trustees position is vacant, due to Debby Hopkins' resignation in April, and this position needs to be filled. Ms. Hogan mentioned that this term would serve from now until the November 2022 election. Cynthia opened the floor for discussion and for any recommendations to fill this vacancy.

Mr. Gibson recommended Evan Jones to serve as Vice-Chair with several members of the board voicing their support. Evan Jones announced that he would be honored to serve as Vice-Chair of the Board of Trustees until the election in November 2022.

It was moved by Cynthia Hogan and appropriately seconded, to approve Evan Jones as Vice-Chair of the Board of Trustees. The motion carried unanimously. Ms. Hogan mentioned that all officer positions are up for re-election at the December meeting.

CEO Report (*presented by Dave Robertson and Dr. Drew Lighthart*)

Dr. Drew Lighthart gave a presentation on the Joint Replacement Program, focusing on statistical comparisons between the SJH program and national benchmarks. In nearly all respects, the SJH program was performing very favorably to national benchmarks. Dr. Lighthart answered questions following his presentation.

Mr. Robertson presented the monthly CEO report focusing on the following topics:

- Tunnel Project
- Housing Update
- Urgent Care/Family Practice Location Change
- Oncology Program Update
- Compensation System Recommendations
- Budget Timeline
- A Look Ahead to the June Board Meeting

A copy of Mr. Robertson's and Dr. Lighthart's presentation materials, which provides information on each of the above topics, is attached and made a permanent part of these minutes.

Following Dave Robertson's report, Joan Goldfarb asked for clarification on the tunnel project and whether SPET funds are to be used to help fund this. Mr. Robertson clarified that the tunnel project was removed from the original Sage Living project (which received SPET funds) due to construction challenges with building a tunnel underneath the existing Living Center. It was determined at the time that it would make more sense to consider the tunnel project once the Living Center had been demolished, which has recently been completed. Recently, the administrative team has reviewed the plans for the original tunnel project, which was focused on the transit of supplies from the hospital to the loading dock of Sage Living. This project has been re-designed with the focus of the tunnel as a patient transport tunnel. This redesign shortened the tunnel by approximately 50%, thus reducing the cost by approximately 50%. Mr. Robertson said that if this tunnel is to be constructed, the most cost-effective time to do that is now before the new parking area is paved. Mr. Gibson noted that the current SPET request is entirely for the development of workforce housing on The Hitching Post site and does not include any funding for this tunnel project.

Strategy, Development, and HR Committee (*presented by Ms. Cynthia Hogan*)

Ms. Hogan reported that the Strategy Committee has diligently worked on developing a compensation proposal plan and this plan has been reviewed at both the March and May meetings of the Strategy/HR and Finance Committees. She opened the floor for discussion on the topic. All Board Members contributed to the discussion on the compensation proposal and their comments were all supportive of the plan. Several clarifying questions were asked.

Ms. Hogan announced the committee's support of the Northern South Park Housing Project. If approved, this housing project would bring about 1,500 homes to the community with several hundred being targeted for workforce and affordable housing. Ms. Hogan mentioned that the next major meeting for this project is on July 5th and the Town plans to vote on the preferred housing plan option. The Development & Planning office required an infrastructure plan to be integrated into the overall housing plan before Town officials would consider the project for approval. The housing project could be shovel-ready by 2024. Ms. Hogan asked Scott Gibson to volunteer a Finance Committee member to support this project by participating in meetings for the following 12 - 18 months. There will be no formal committee established.

CEO Search Process Update *(presented by Mr. Evan Jones)*

Mr. Jones presented an update on the Korn Ferry engagement, startup activities, and showed the updated timeline. Korn Ferry signed the engagement letter in April. Korn Ferry conducted thirty-eight stakeholder interviews in April and May. Evan mentioned that the interviews focused on success factors, the state of affairs at SJH, what defines success after the first 12-18 months, and desired CEO background and experience. Korn Ferry finalized the CEO position description. A copy of the CEO position description can be obtained by request to Morgan Gurney.

A copy of Mr. Jones's presentation materials is attached and made a permanent part of these minutes.

Finance, IT, and Facilities Committee *(presented by Mr. Scott Gibson)*

Mr. Gibson reported that the committee approved the tunnel project and recommended a motion to move forward with this project at a cost not to exceed \$5,650,000. This project will provide a tunnel between the IRF connecting to the main hospital. The IRF has the potential to be used as COVID-19 over-flow rooms / COVID-19 units if needed.

It was moved by Scott Gibson, seconded by Mike Tennican, to approve the tunnel project at a cost not to exceed \$5,650,000 as presented by Mr. Dave Robertson. The motion carried unanimously. Dr. Bruce Hayse mentioned he is very much in favor of this motion as he has had recent patients experience inconvenient access from facilities to the hospital.

Mr. Gibson reported that April was less than a break-even month from a financial standpoint (though not as large a loss as was budgeted) and reimbursements were favorable. The 2021-2022 fiscal year is projected to come in close to what was budgeted. Mr. Gibson announced that the committee has held pre-planning meetings in order to prepare for the 2022-2023 fiscal year budget. The compensation proposal recommendation took the majority of the planning time so another Special Finance Committee meeting is scheduled for early June at which time the committee will continue planning for the upcoming fiscal year budget focusing on the revenue/charge structure. The committee has discussed a range of options with regard to price increases and will present those within the final budget plan at the Regular Public Board of Trustees meeting on June 23rd.

It was moved by Scott Gibson, seconded by Evan Jones, to approve incorporating the recommended compensation proposal within the 2022-2023 fiscal year budget as presented by Mr. Dave Robertson earlier in this meeting. The motion carried unanimously.

Joint Compliance & Quality Control Committee *(presented by Ms. Sue Critzer)*

Ms. Critzer reported that Central Wyoming College had its first class of nursing graduates. These recent nursing graduates are entering the workforce, and many have joined St. John's Health. The

committee had one credentials recommendation from the Medical Executive Committee for approval.

It was moved by Evan Jones, seconded by Cynthia Hogan, to approve the credentials recommendations from the MEC meeting of May 10, 2022. The motion carried unanimously.

Nominating & Governance Committee (*presented by Ms. Sue Critzer*)

Ms. Critzer reported that onboarding has been completed for all new Board Advisors and Trustees. The Board of Trustees held a public, in-person workshop on May 20th, that focused on Board effectiveness and team collaboration. A regular Nominating and Governance Committee meeting will meet in June.

The SJH Foundation had no report this month.

Old Business – None

New Business – None

Public Comment – There was strong participation from the SJH nursing staff on the call. Both Ashley Eppler and Liz Hottenstein spoke regarding how important the compensation proposal is to the staff's ability to be able to live in the Jackson area and to continue to provide services at SJH.

Next Meeting

The next regular monthly meeting is scheduled for June 23rd, 2022, via Zoom only and possibly a hybrid meeting depending on COVID-19 cases. Trustees and Advisors would attend the meeting in person with the community attending virtually. The Executive Session begins at 2:30 pm and the monthly Public Session begins at 4:00 pm.

Adjournment

With nothing additional to discuss, Ms. Hogan adjourned the meeting at 6:06 p.m.

Respectfully submitted,

Morgan Gurney, Senior Executive Assistant

CEO Report

Board of Directors Meeting
May 26, 2022



Topics

- Presentation on Joint Surgery Trends – Dr. Drew Lighthart
- Housing Update
- Urgent Care/Family Practice Location Change
- Tunnel Project
- Oncology Program Update
- Compensation System Recommendations
- Budget Timeline





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Healthcare Outcomes Performance®



StJohn's HEALTH

Joint Trends CY 02/01/2021 – 03/31/2022

Working with Health Systems to Plan and Implement Winning Strategies for Orthopedics

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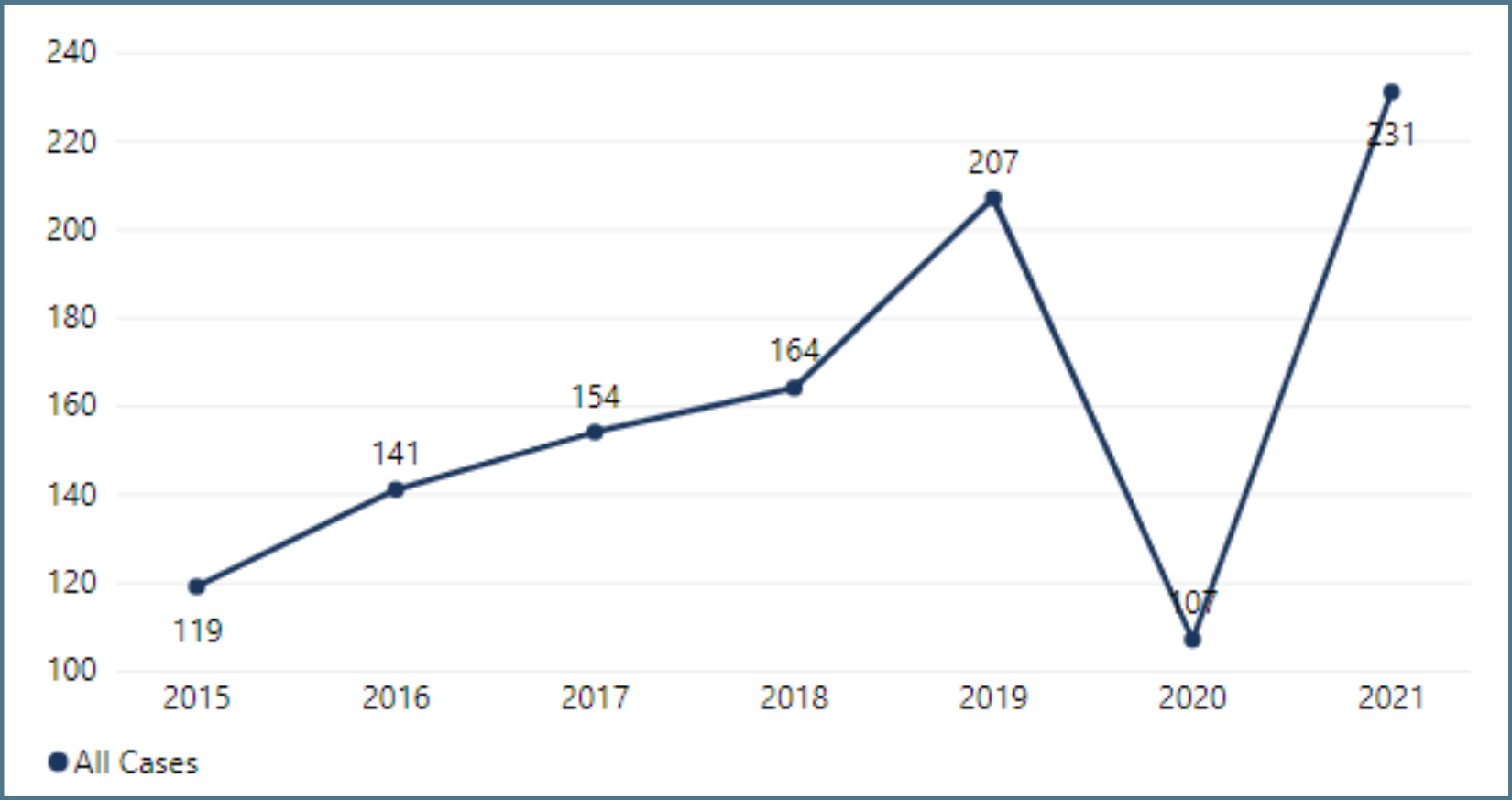


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Operational

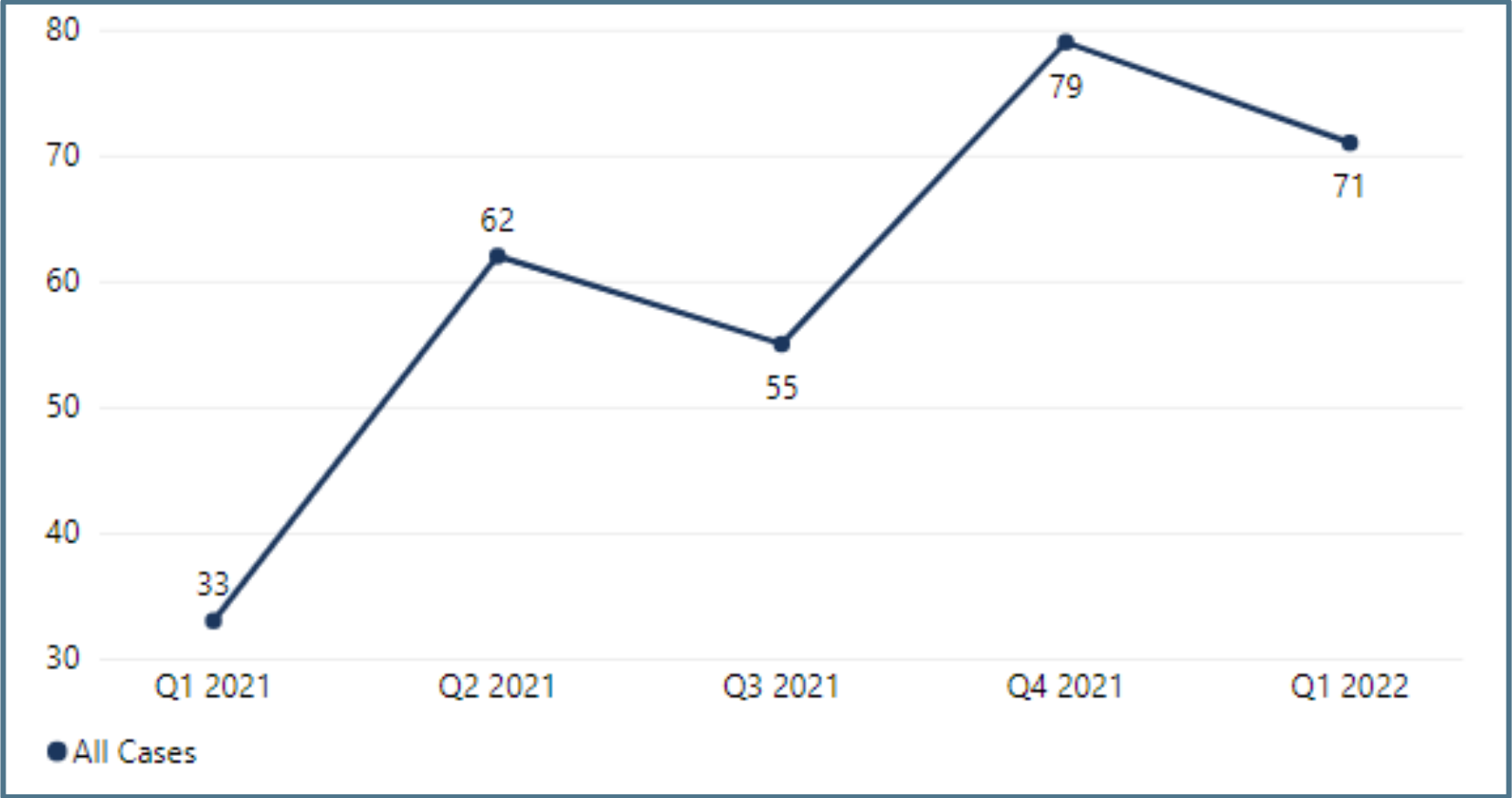
Case Volume 2015-2021 (IP & OP)



Steady increase in volume year over year, with an 11.6% increase in volume between 2019 and 2021*

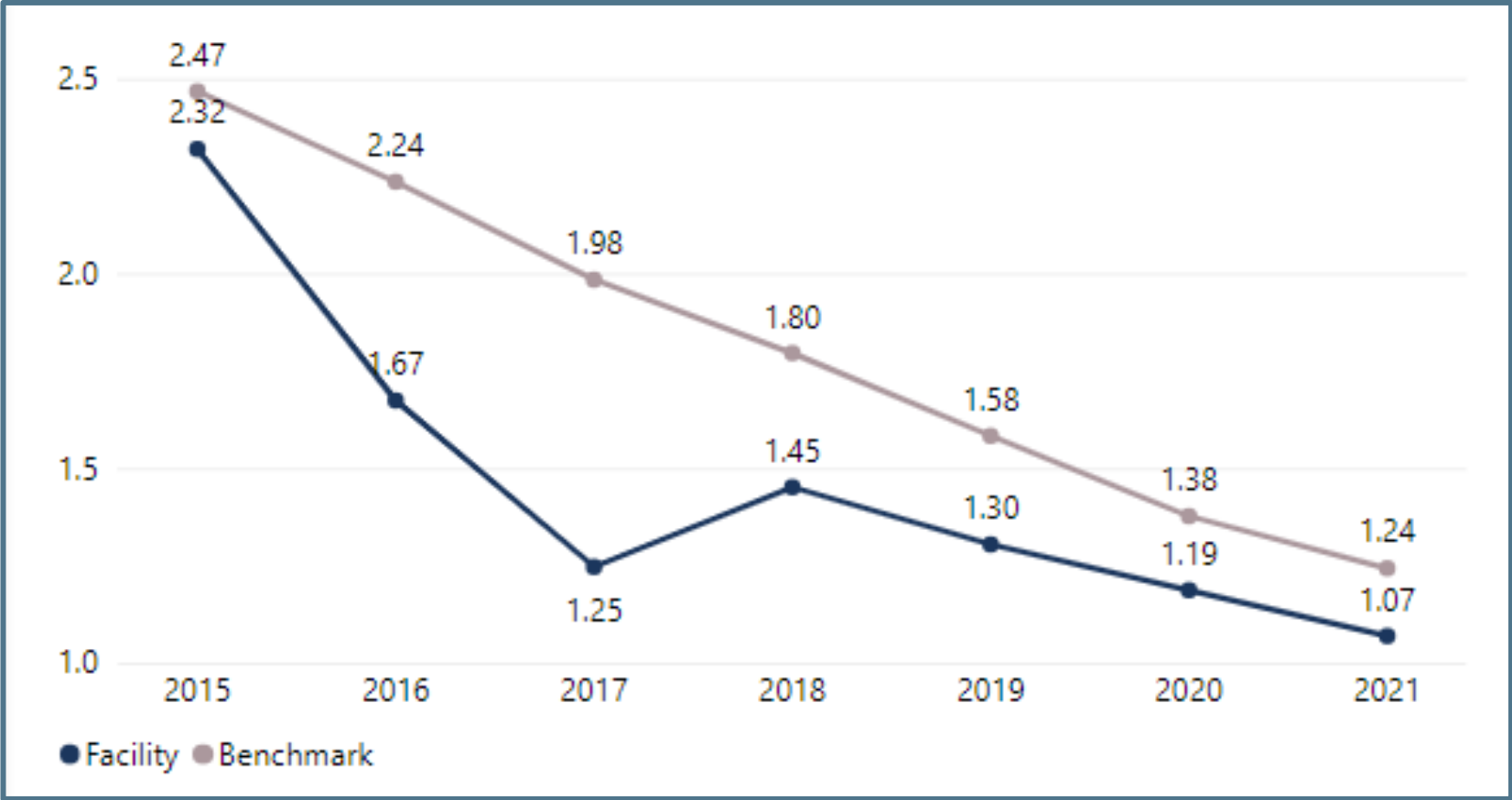
*Excluded 2020 due to COVID-19

Case Volume 2021 (IP & OP)



Overall increase in volume over CY 2021

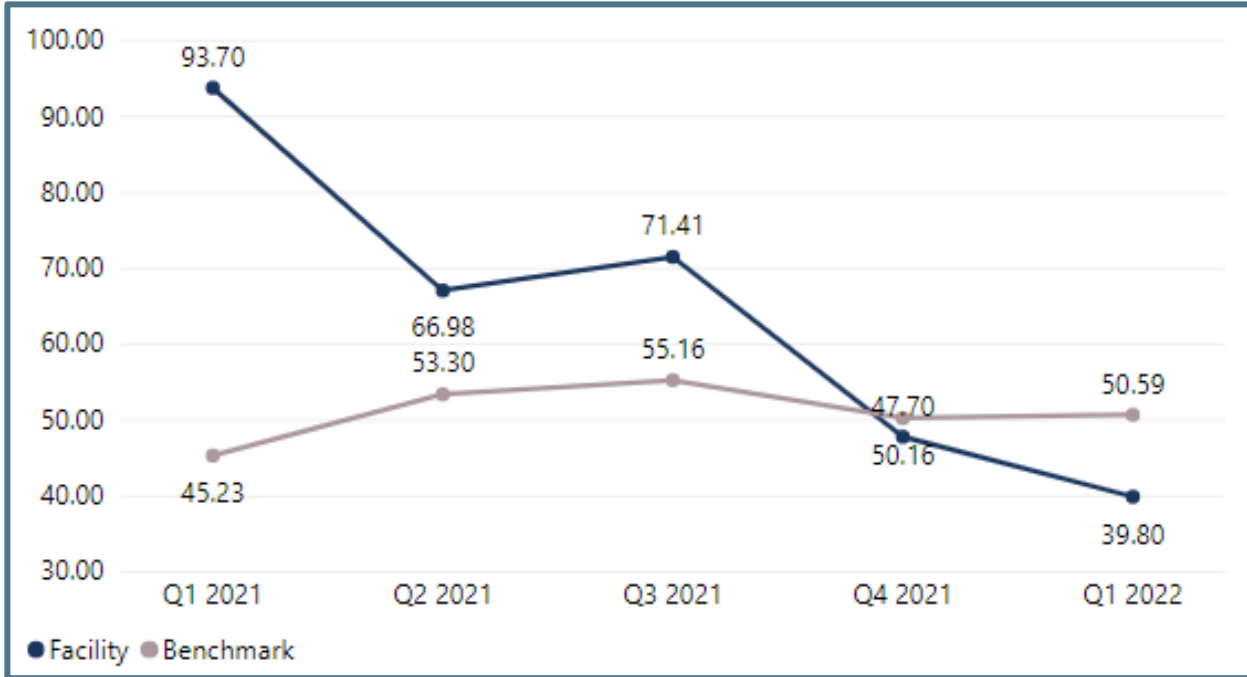
LOS in Hours 2015-2021 (IP & OP)



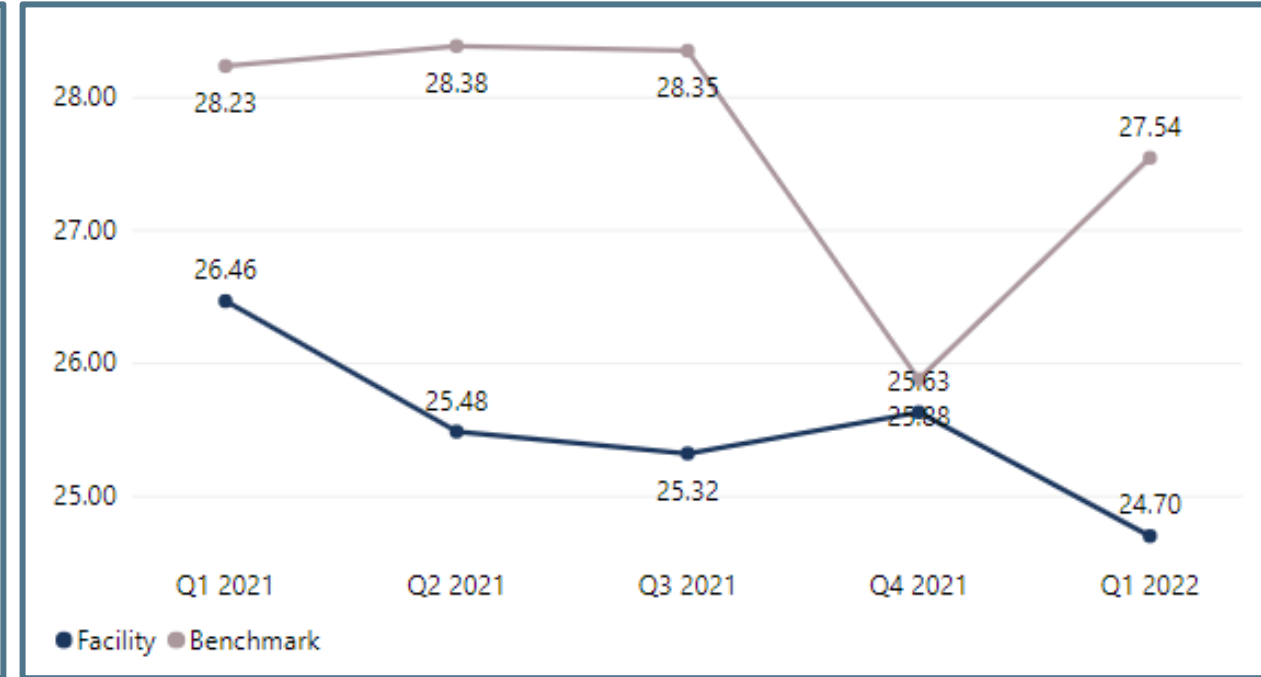
Steady decline in LOS that has continued to be lower than the dashboard average

LOS in Hours 2021 (IP & OP)

IP LOS

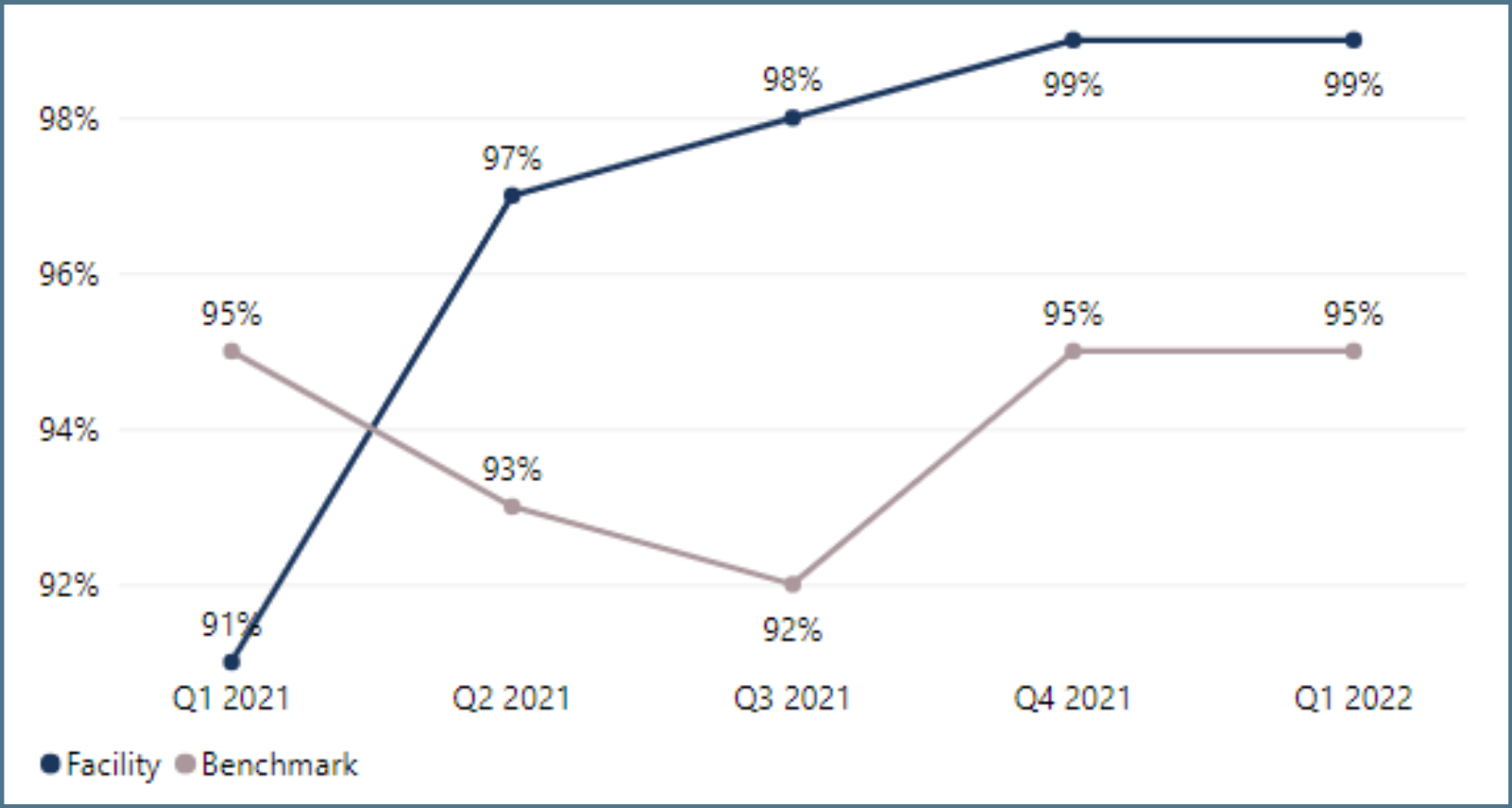


OP LOS



- IP LOS reached dashboard average in Q4 2021 and continues to go down
- OP LOS remained below dashboard average in CY 2021

Discharge Home %



Discharge home % consistently higher than dashboard average beginning Q2 2021



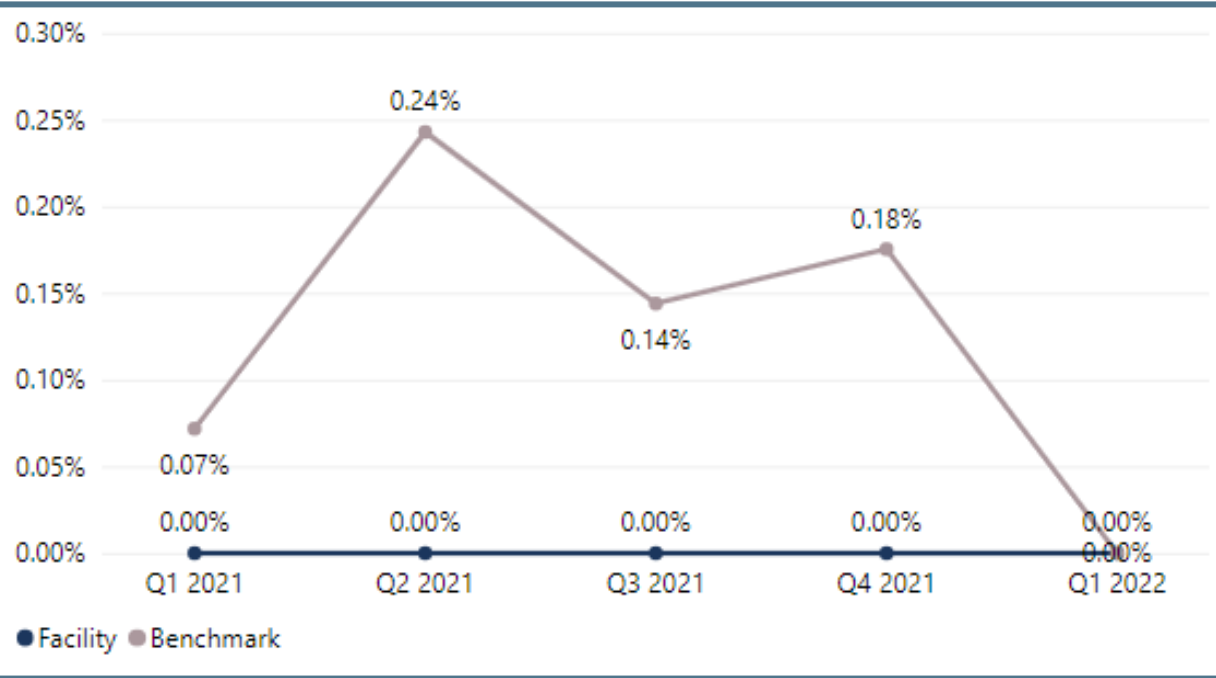
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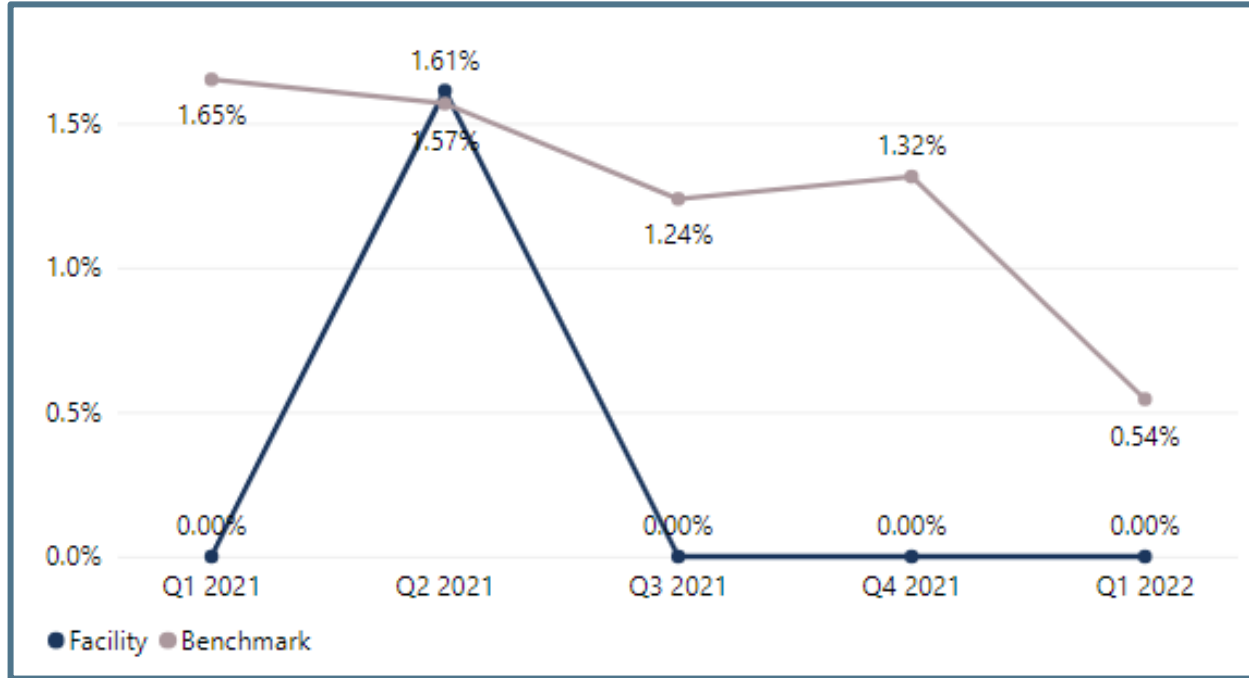
Clinical

Index Complications & Blood Transfusions

Index Complications



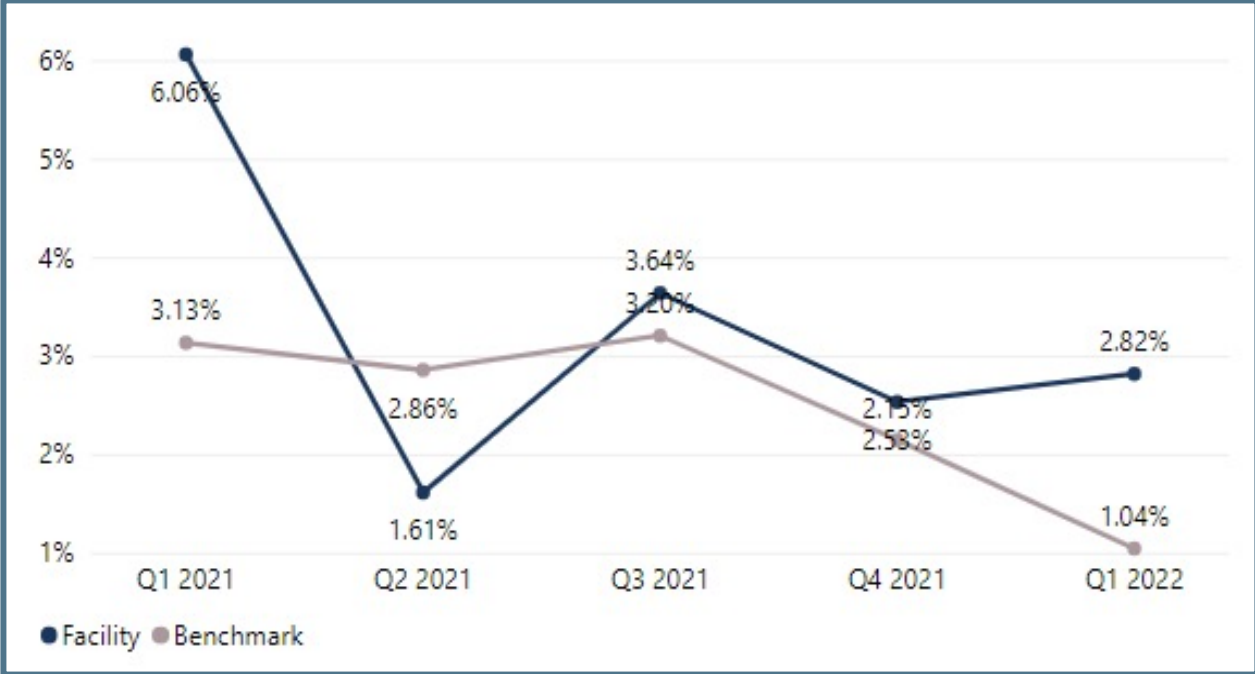
Blood Transfusions



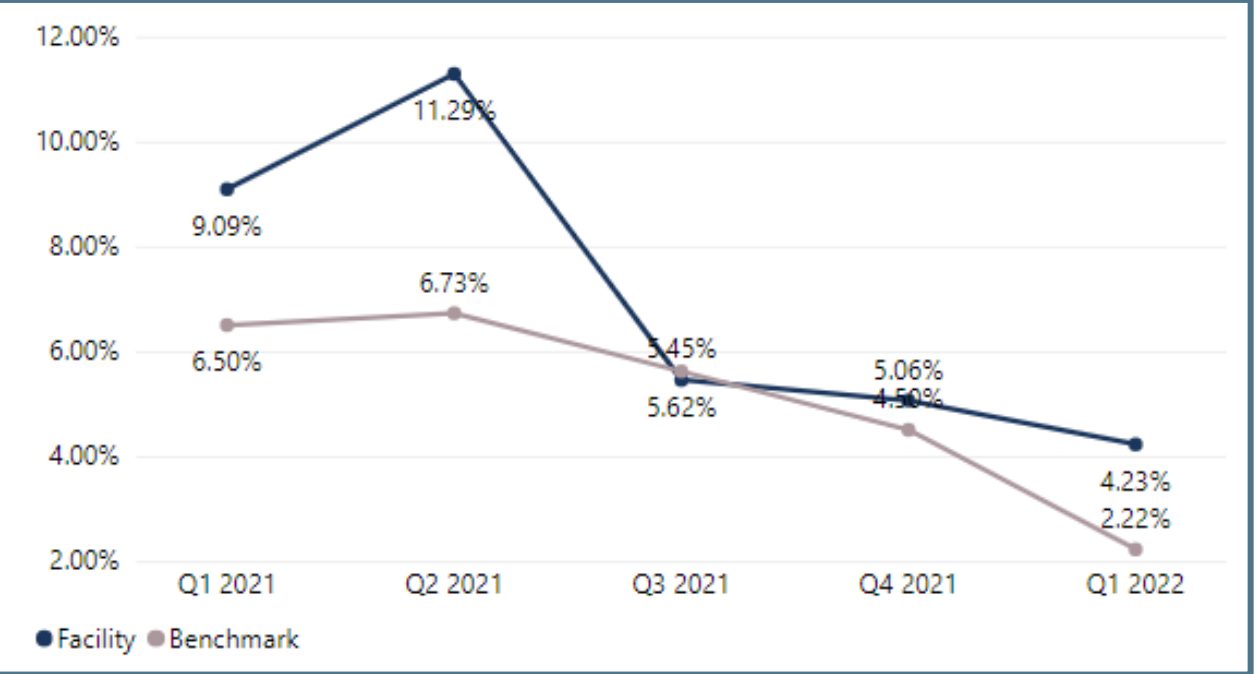
- **No index complications (SSI, Hematoma, UTI, PE, DVT) in CY 2021**
- **Only one blood transfusion in CY 2021**

90-Day Readmissions & 90-Day ED/Obs Encounters

Readmissions

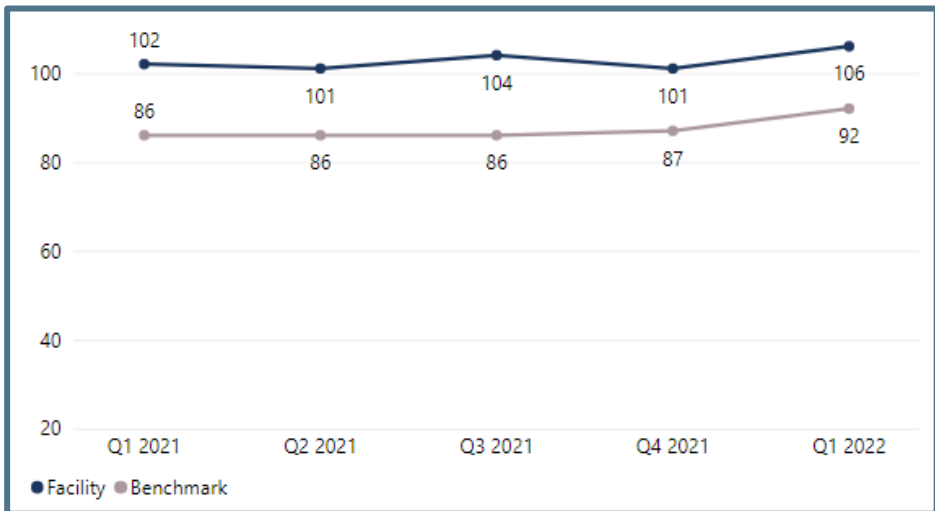


ED/Obs

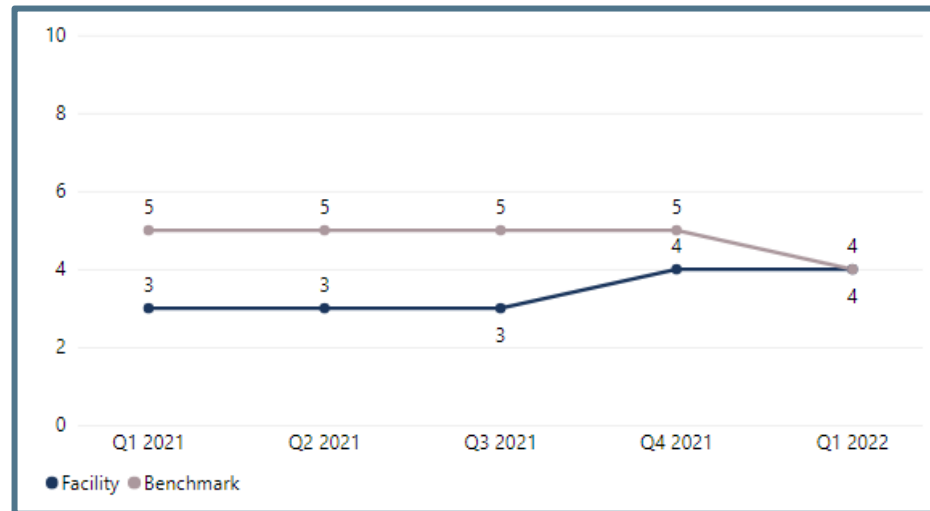


Overall decrease in return to hospital events over CY 2021

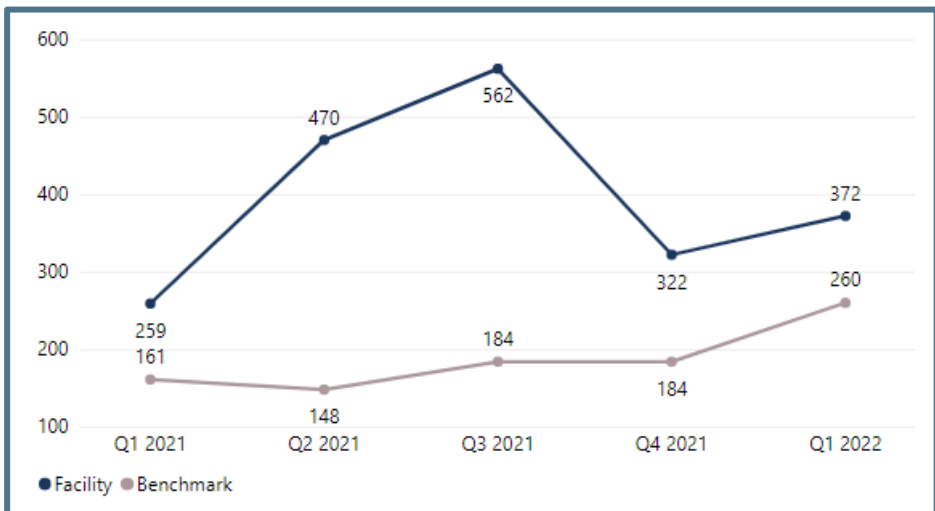
Flexion



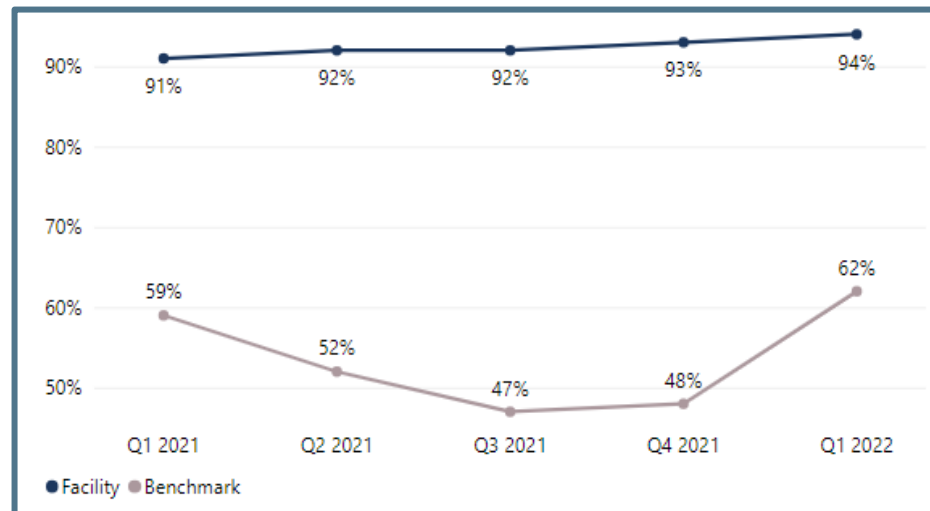
Extension



Distance Walked DOS (ft.)



% Walked ≥300 Feet



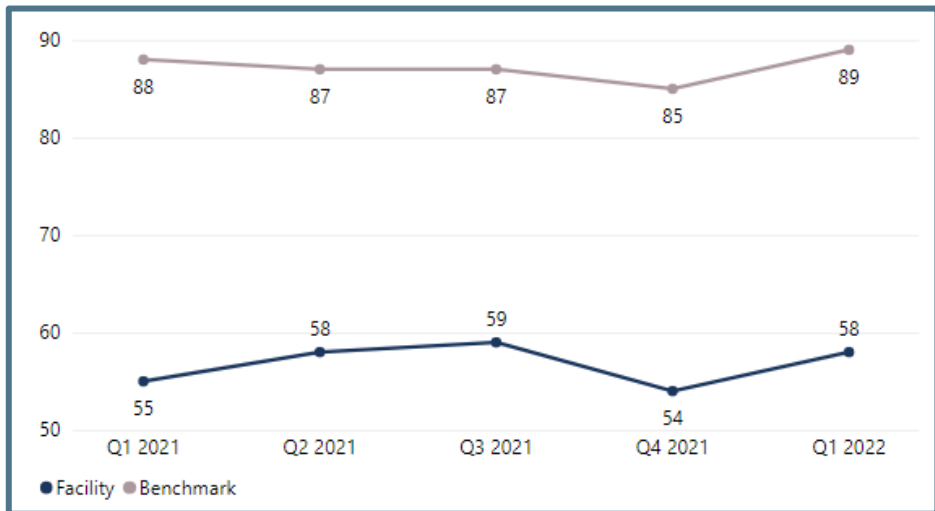


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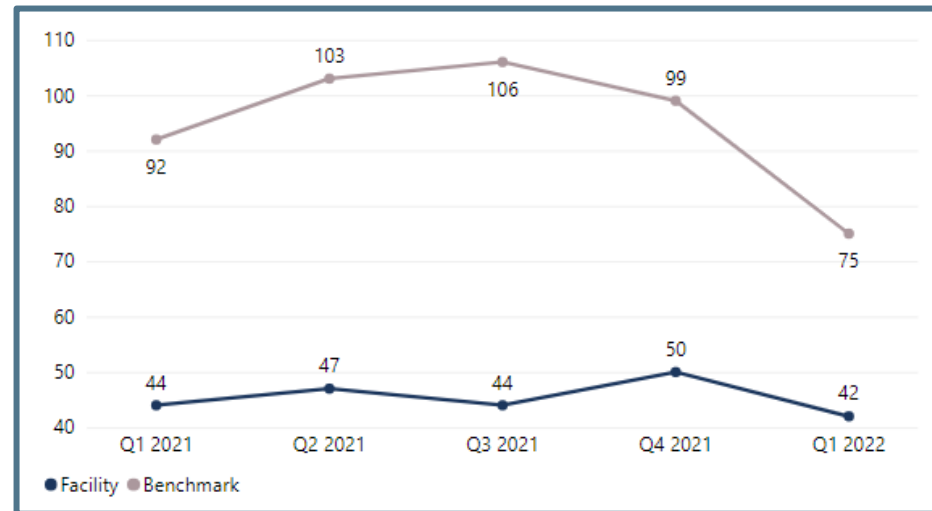
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Operating Room

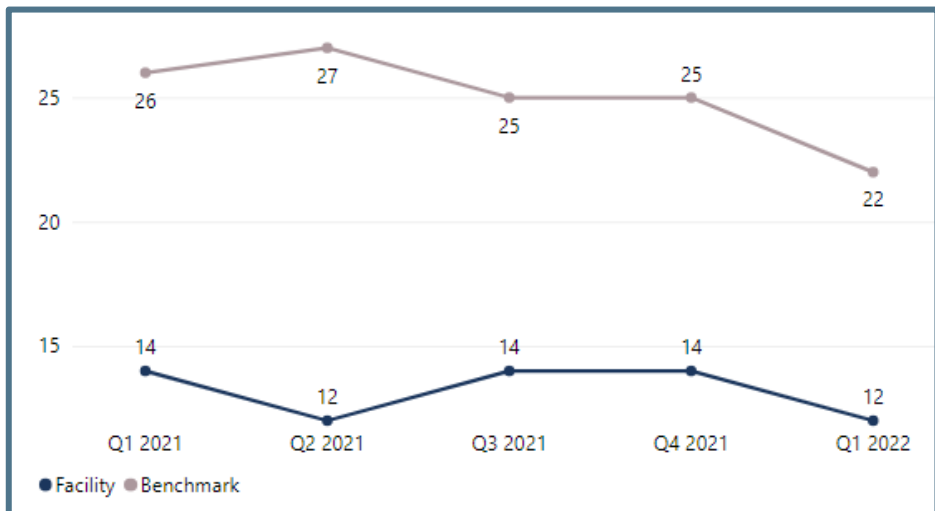
Surgery Time



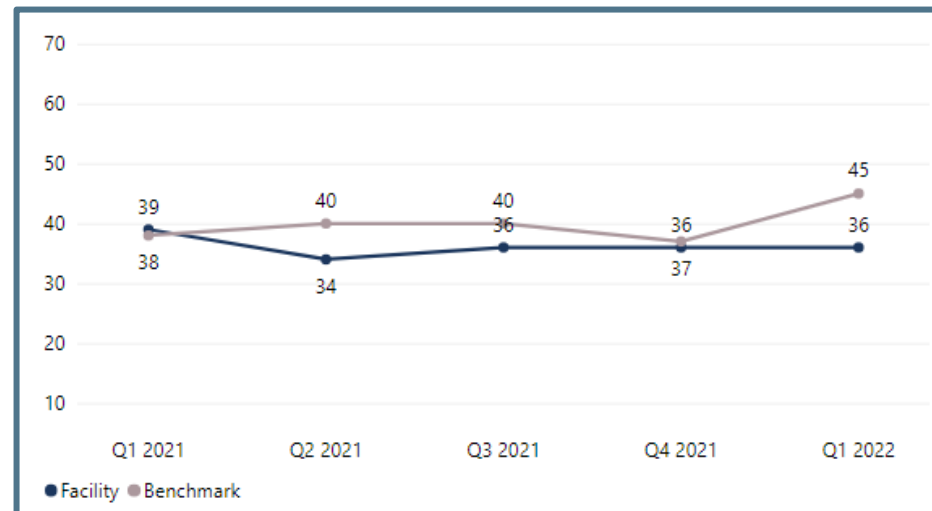
PACU Time



Duration Accuracy



Turnover Time



Housing Update

- The Hitching Post
 - Zoning Commission unanimously recommended approval of a zoning map change for The Hitching Post from NM-2 to P/SP on May 4th
 - Zoning Commission commended SJH for our willingness to adhere to many of the restrictions of NM-2 zoning in our application
 - Zoning Map Recommendation goes to the Town Council on June 6th
 - If approved, any zoning map change requires three readings, so the earliest it would take effect is July 18th
 - \$24M SPET application currently being evaluated by Town Council and County Commission for possible inclusion on November SPET ballot

Why is P/SP Zoning Important to the Hitching Post Project?

- Allows construction of a single building rather than multiple buildings as required under current designation of NM-2 (NM-2 requires maximum of 8 living units per building with a maximum size of 10,000 sq. ft.)
- Single building design makes subterranean parking feasible (enhances livability, neighborhood friendliness, character of neighborhood)
- Facilitates design that allows for greater setbacks from residential neighbors
- Most importantly, utilizes the property much more efficiently thus maximizing the number of living units that can be developed (estimated 40% greater number of living units)

Other Housing Projects

- King and Karns – 15-unit development (5 studios and 10 Two BR units) in process of detailed design development with anticipated Spring 2023 construction start
- Assessing partnering opportunities with the Community Housing Trust



Urgent Care/Family Medicine Location Change

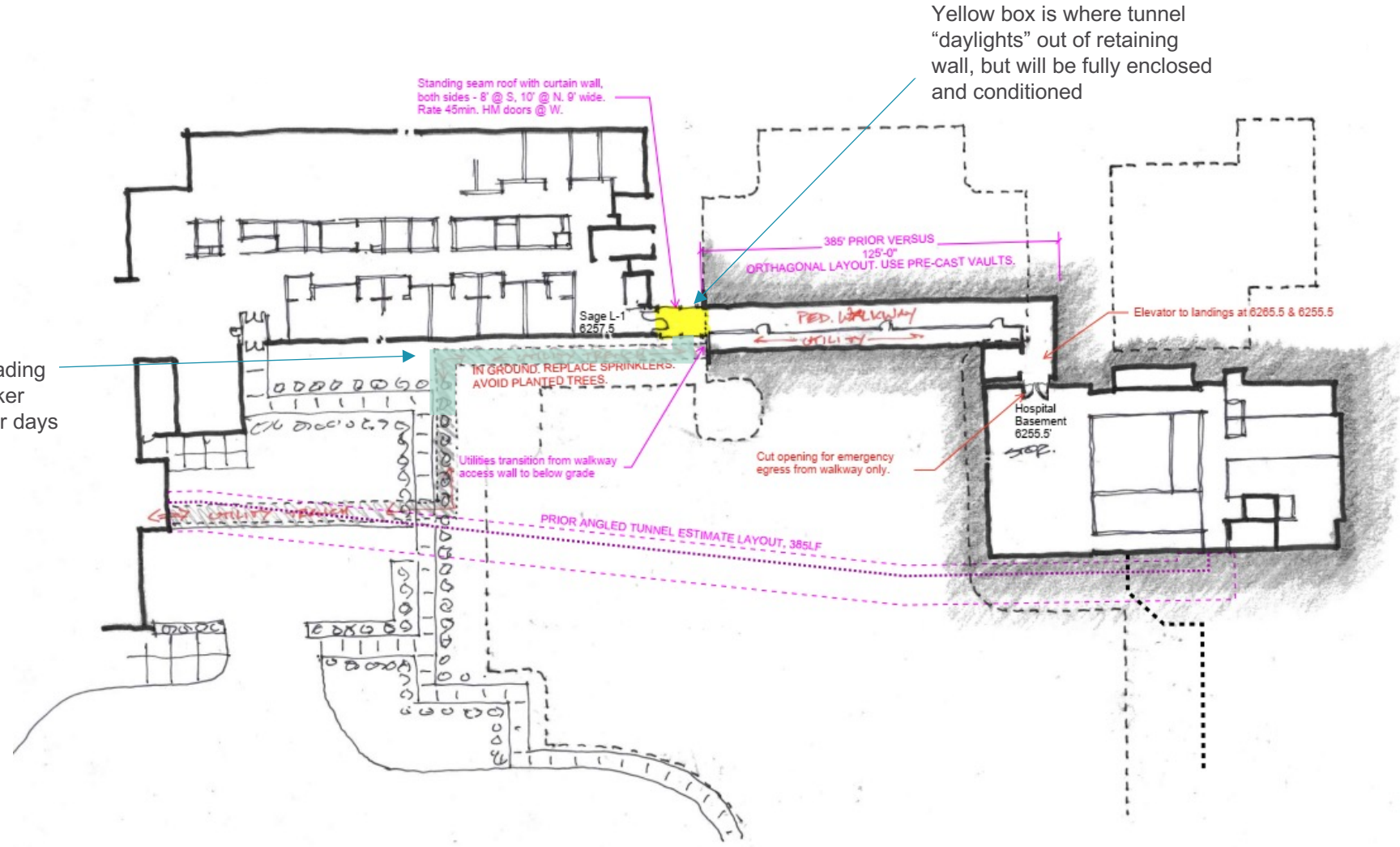
- July 1st Target Date – Urgent Care and Family Medicine will be separated and practiced in distinct locations
- Historically, Urgent Care and Family Medicine have existed side-by-side at both the Smith's Plaza and TJMaxx Plaza clinics
- With growth of volume, it has become very difficult to maximize patient service with Urgent Care and Family Medicine in the same location
- Staffing is also more efficient in separate practice locations
- Primary function of each location:
 - Smith's Plaza – Urgent Care, walk-ins
 - TJMaxx Plaza – Family Medicine, by appointment

Tunnel Project

- Purpose is to create a protected, safe access from the hospital to Sage Living and the Inpatient Rehabilitation Facility (IRF)
- If such a tunnel is to be developed – now is the time before the parking lot expansion is completed
- Tunnel would provide redundancy for critical systems such as boilers and bulk oxygen connections
- Would result in the loss of one patient room and one small office in the IRF
- Removed from the Sage Living project due to construction difficulty as long as Living Center was in place – new design is much more cost effective
- Project cost \$5.64M
- Completion by Fall 2022 if incorporated into current project with delay of parking lots until Spring 2023

Drawings - Tunnel Project


Hospital Basement-Level Floorplan



Yellow box is where tunnel "daylights" out of retaining wall, but will be fully enclosed and conditioned

Blue sidewalk connector for movement directly to/from loading dock for larger items, or quicker exterior route to dock on nicer days

Oncology Program Update

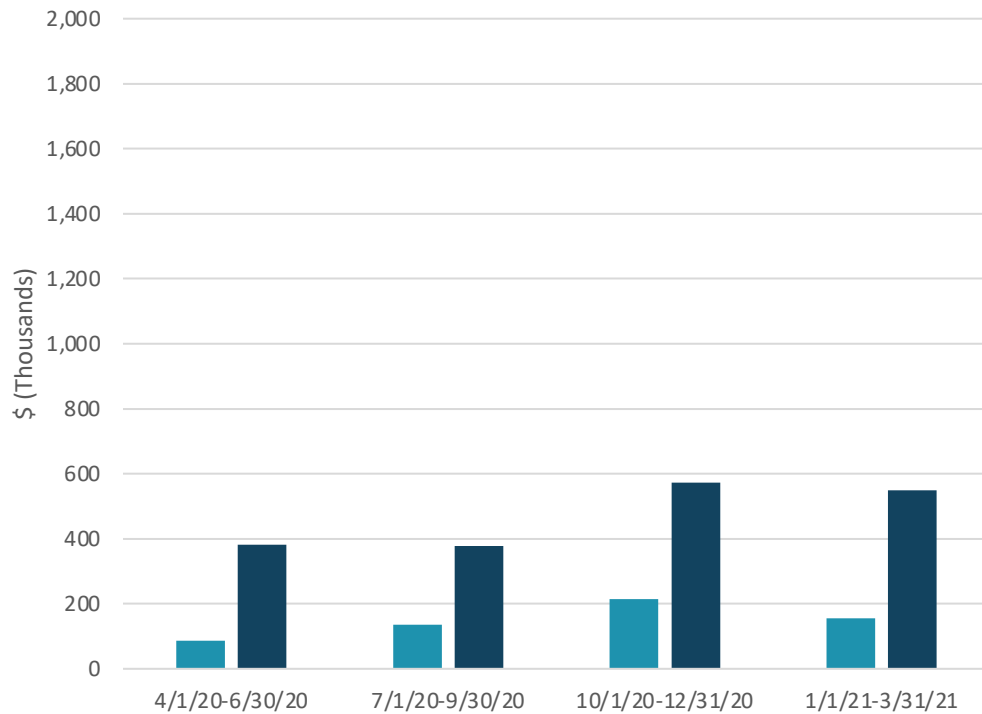
- Have worked with University of Utah/Huntsman to plan for expansion of oncologist staffing and Dr. Ward's future retirement
 - Currently, have an average of 2 days/week of oncologist coverage between Dr. Ward and Dr. Solomon
 - Will expand coverage to a minimum of 3 days/week between Drs. Ward, Solomon and a third oncologist
 - SJH will work to recruit a full-time SJH-based oncologist who will be supplemented and supported by a continuing team of Huntsman-based oncologists
- 

Compensation System Recommendations

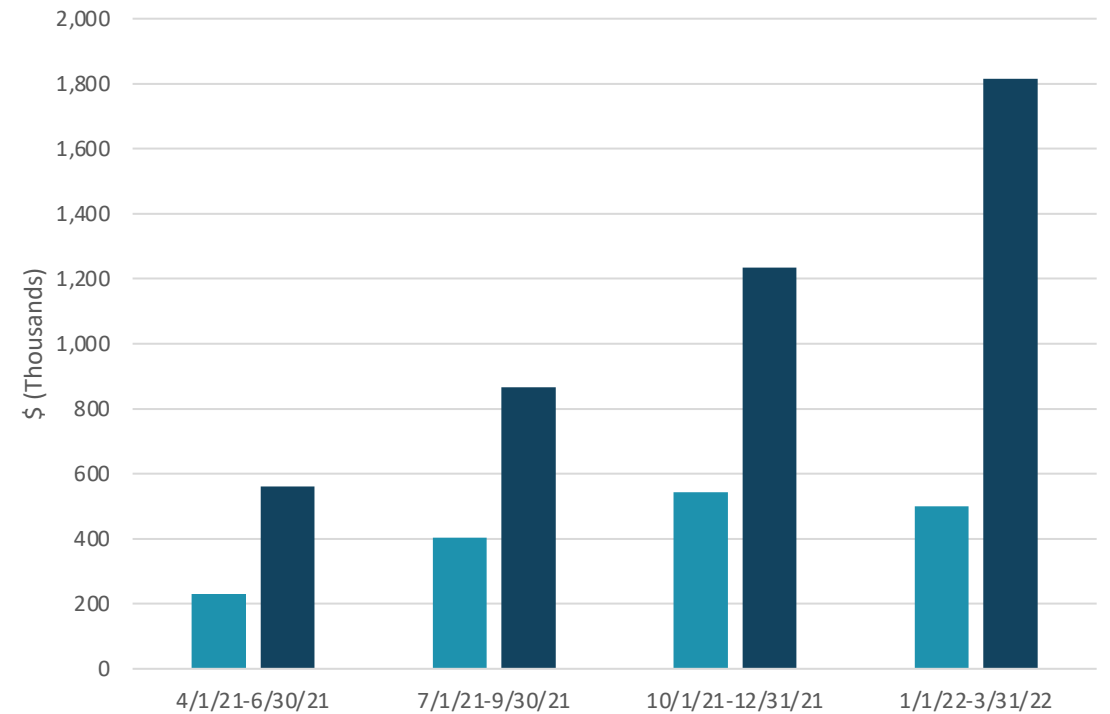
- Purpose of compensation plan redesign is to assure a structure that is consistent, simple, fair, transparent, sustainable, and data driven
- Key components
 - Consistent focus on competitiveness of both entry wage and wages for experienced staff
 - Target of 75th percentile in the Mountain West region (which results in significantly higher national percentile)
 - Desire to significantly reduce the use of travelers
- Recommendations have been reviewed by Strategy/HR and Finance Committees

Update: Overtime and Contract/Traveler Expenses

Overtime and Contract Staff Expenses 2020-2021



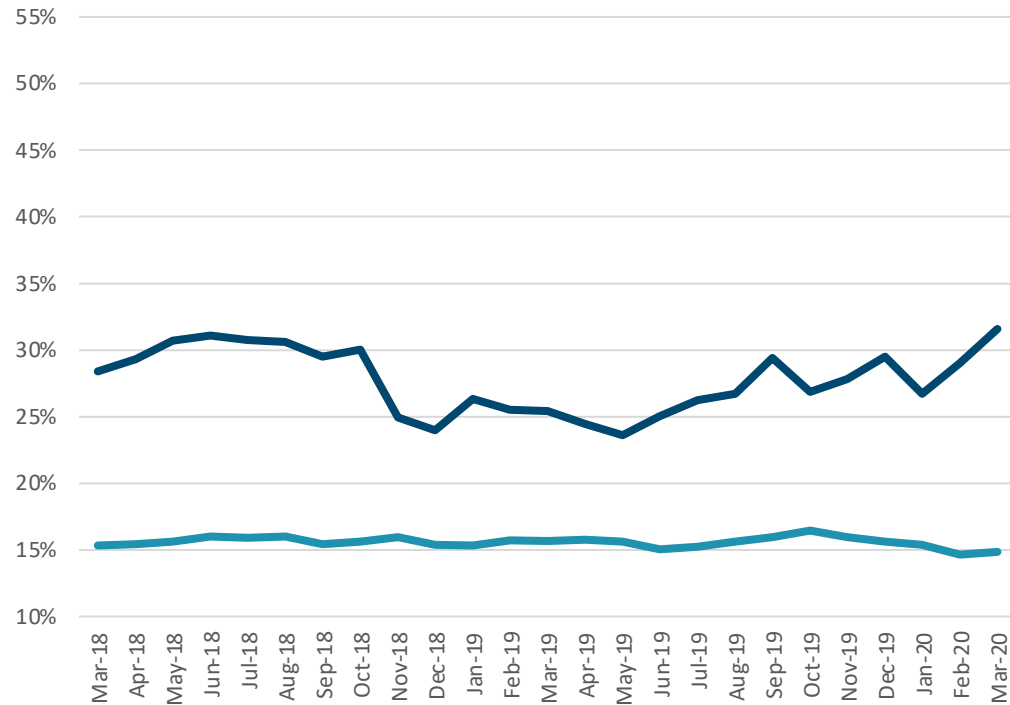
Overtime and Contract Staff Expenses 2021-2022



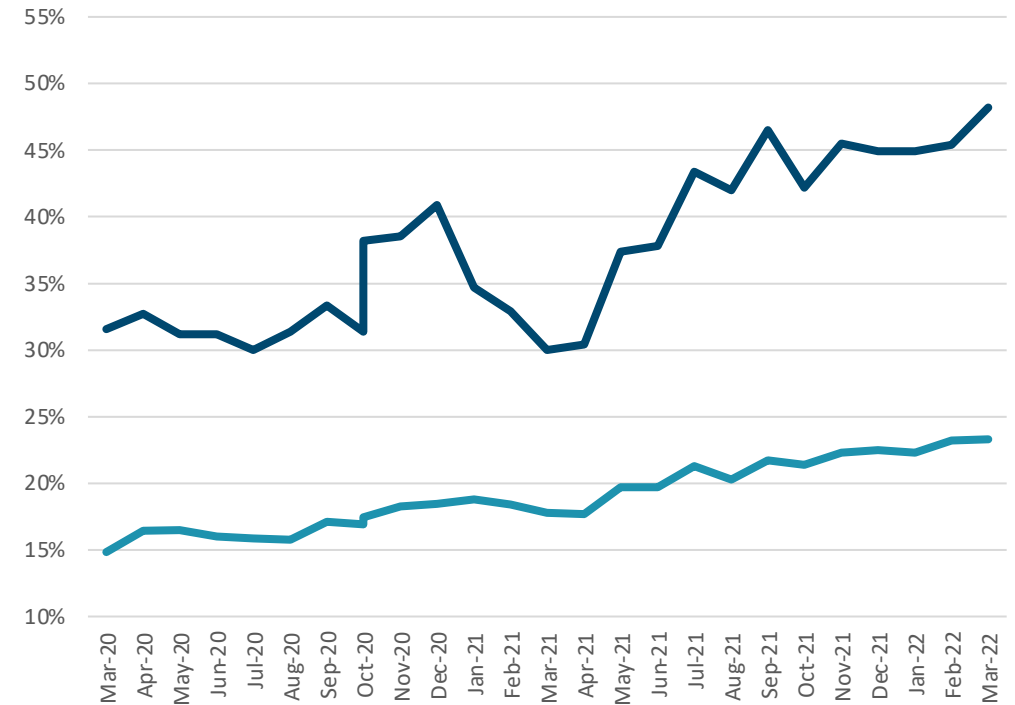
 Overtime  Contract Expenses

Update: Turnover

Rolling 12-month Turnover 2018-2020



Rolling 12-month Turnover 2020-2022



— Total Turnover

— First Year Turnover

Recommendation: Increase the rigor of our Step and Grade System

- A step and grade system provides a salary range for each job, with a minimum (starting rate) and maximum (top of the grade, usually reached after 20 or more years depending on width of range).
- An employee moves one step for each year of experience.
- Market changes are reflected by upward movement in the grade.

Note: we currently have a step & grade system, but it has not been rigorously applied.

Step & Grade Structure example (2% per step/year of experience):

Step (years of experience)	Grade	4	5	6	7	8
	72	\$ 34.00	\$ 34.68	\$ 35.37	\$ 36.08	\$ 36.80
	73	\$ 34.34	\$ 35.03	\$ 35.73	\$ 36.44	\$ 37.17
	74	\$ 34.68	\$ 35.38	\$ 36.09	\$ 36.81	\$ 37.54
	75	\$ 35.03	\$ 35.73	\$ 36.45	\$ 37.18	\$ 37.92
	76	\$ 35.38	\$ 36.09	\$ 36.81	\$ 37.55	\$ 38.30
	77	\$ 35.74	\$ 36.45	\$ 37.18	\$ 37.92	\$ 38.68
	78	\$ 36.09	\$ 36.81	\$ 37.55	\$ 38.30	\$ 39.07
	79	\$ 36.45	\$ 37.18	\$ 37.93	\$ 38.69	\$ 39.46
	80	\$ 36.82	\$ 37.55	\$ 38.31	\$ 39.07	\$ 39.85
	81	\$ 37.19	\$ 37.93	\$ 38.69	\$ 39.46	\$ 40.25

Steps

1. Get the ranges “right” (considering COLA, local market, regional market, targeted “hard to fill” critical roles).
2. Appropriately place employees on the grid.
3. Increase physician compensation based on independent assessment as contracts renew.
4. Provide step increases on anniversaries.
5. Evaluate updated market increases in January (targeted roles).
6. Budget for next FY cost of living (COLA) adjustments next July.

Recommendation

- Total cost (including benefits): \$7,500,000




Timeline

2022

- Budget approved in June, communicate plan to employees
- Increase effective first pay period in July (implement rigorous step & grade)

2023

- Market increase in January (targeted roles based on updated survey data)
 - Ongoing step increases for hourly employees on anniversary
- 


Remember... what this won't do...

- Won't solve housing.
 - If we DOUBLED salary (which is statistically impossible as more than 50% of revenues now go to wages and benefits), still couldn't buy a house in Jackson.
 - ***Have to focus on creating affordable rentals.***
- Won't eliminate attrition.
 - Will still hear "I can't afford to live here," and "I can make more in _____" or "I have decided to leave healthcare."

BUT, it is consistent, fair, equitable, simple, transparent, sustainable, and data-driven.



Budget Timeline

- Draft Operating Budget Scenarios reviewed by Facilities, IT, Finance Committee – May Meeting
 - Draft Operating and Capital Budget reviewed by Facilities, IT, Finance Committee/Proposed Pricing Increase and Compensation Package Approved – June Meeting
 - Final Overall Operating and Capital Budget Reviewed by Facilities, IT, Finance Committee and Full Board Approval – July Meeting
- 

Questions?



CEO Search Committee Presentation

May 26, 2022

Agenda

1. Korn Ferry engagement & start-up activities
2. Status update. Search timeline
3. Discussion

Korn Ferry engagement & start-up activities

Korn Ferry engagement letter signed in early April

Planned activities with Korn Ferry going well

Update provided at the May 17 CEO Search Committee Meeting

St. John's Health stakeholder interviews

- 38 calls in April/May
- Interviews with Board members, Advisors, Search Committee, Medical Staff, Senior Management, Middle Management, Nursing Leadership.
- Planning additional out-reach to leaders in Jackson community and others

Korn Ferry interview questions and feedback

- Year 1 success factors, state of affairs at SJH
- Define success after first 12-18 months
- Desired CEO background and experience

Korn Ferry CEO position description



SJH CEO Search Status Update

St John's Health CEO Search Timeline	Draft: 2/8/22											
Action item completed by:	15-Feb	28-Feb	31-Mar	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep	31-Oct	30-Nov	31-Dec
Select recruiter												
Outreach to three plus recruiters	X											
Recruiter interviews	-----	-----	X									
Committee/recruiter presentation & recommendation decision			X									
Recruiter decision and contracting			X									
Recruiter search work initiated				X								
CEO position description & key objectives/issues												
Preliminary search committee discussion and process recommendation	-----	X										
Board alignment and process completed		-----	-----	-----	X							
Specification agreement with Recruiter/Board and/or Committee				X								
CEO compensation & housing discussion with Board & recruiter			-----	-----	X							
Community outreach												
Initial St. John's physician interviews & stakeholder interviews and engagement		-----	-----	X								
Stakeholder interviews and engagement in 2nd round interviews								-----	-----	X		
Candidate identification and decision making												
Candidate selection & interviews - initial				-----	-----	-----	-----	X				
Candidate selection & interviews - second round, on site								-----	-----	X		
Lead candidate discussions/contracting										-----	X	
Final agreement											X	

