



Northfield Hospital  
**MEETING MINUTES RECORD**

Meeting: Board of Directors

Date: March 19, 2009

Location: Conference Center

Start time: 6:45 p.m. Adjourn time: 8:45 p.m.

Members present: Dixon Bond, Peggy Hoffman, Terry Gilbertson, John Lundblad, Brett Reese, Randy Reister, M.D., James Schlichting, Curt Swenson, Gina Washburn

Members excused:

Members absent:

Others present: Jon Denison (City Council Liaison), Rob Schile (LAWCO), Corey Rutledge (LAWCO), Tom Holt, M.D., Ken Bank, Mary Crow, Roger Stapek, Scott Richardson, Bobbi Jenkins (Recorder)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
Call to Order	<p>The meeting was called to order at 6:40 p.m. by John Lundblad.</p> <p>The following changes to the agenda were proposed:</p> <ul style="list-style-type: none"> <li>✓ Add "Board Meeting Time" under "Discussion Items"</li> <li>✓ Remove "Strategic Planning Issue" from the Executive Session.</li> </ul> <p>The Board discussed and agreed to leave "Strategic Marketing Issue" on the agenda.</p> <p>John commented that he will make the assumption that all Board members have read the materials enclosed in their packets in advance of all meetings. Informational items will not be discussed unless there are questions.</p>	<p>The motion was made, seconded and unanimously passed to amend the agenda to add the discussion item "Board Meeting Time".</p>	<p>Closed.</p>
Special Presentations			
1. 2008 Audit Report	<p>Rob Schile and Corey Rutledge from LarsonAllen presented the 2008 audit report. They advised the Board that LarsonAllen had issued an unqualified opinion again this year, which is the best an organization can get. He commended Roger and his staff for the excellent job they do all year long and noted that the majority of financial indicators remain strong and the hospital's financial systems and controls rank in the "Top 5%" of hospitals audited by Larson Allen.</p>	<p>A motion was made, seconded and unanimously passed to accept the audit for informational purposes.</p> <p>Special thanks was expressed to Roger for the work he and his staff do.</p>	<p>Closed.</p>
Quality & Patient Safety			
1. Safety Committee	<p>Minutes from the 03/18/09 Safety Committee meeting were distributed at the meeting (copy attached). Mary Crow noted that the reason the minutes were not included in the packet mailed out in advance of the meeting is the committee just met yesterday.</p>	<p>Information only.</p>	<p>Closed.</p>

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
Actions Items			
1. Approval of Minutes of 02/19/09 Regular Board Meeting	Minutes from the 02/19/09 Board meeting were reviewed (copy attached). Dixon noted a couple of technical corrections, but neither changed the meaning of the minutes.	A motion was made, seconded and unanimously passed to approve the minutes with the technical corrections.	Closed.
2. Approval of Hospital Bylaws Revisions	<p>Ken Bank reviewed changes made to the Hospital Bylaws (copy attached). The intent is to broaden them to include the clinics and other elements of the organization. Dixon Bond recommended the first sentence under Article VII, Section 3, be divided into two sentences to read as follows:</p> <p>“Physicians and dentists employed at the <del>hospital</del> <u>organization</u> shall be subject to <del>the its</del> regular personnel policies of <del>this facility</del>. <u>their</u> employment may be terminated under the same conditions as other employees as provided in the <del>hospital</del> <u>organization’s</u> personnel policy manual.”</p> <p>Terry Gilbertson questioned the last sentence is the same section as noted above. He questioned whether we can say that the hospital’s personnel policy manual does not apply to physicians and dentists who are retained as independent contractors. Following discussion, it was determined that the policies we want independent contractors to abide by would be stated in their contract agreement.</p>	A motion was made, seconded and unanimously passed to approve the Bylaws with the revision in Article VII, Section 3 as noted.	Closed.
3. Ratification of Election of Medical Staff Vice President & Medical Staff Bylaws	<p>Ken Bank reviewed the Situation Description that was handed out at the Board meeting related to a vacancy in the position of Medical Staff Vice President and a waiver in the Medical Staff Manual (copy attached).</p> <p>The medical staff met on March 17, 2009 and elected Dr. Jose Fulco as Vice President for 2009-2010, and passed a resolution to waive the requirement that the Vice President serve as a member and Chairperson of the Credentials Committee effective until the end of 2010 unless rescinded at the discretion of the MEC as outlined in the Situation Description.</p> <p>Dixon Bond suggested some additional wording to the Proposed Board Resolution -- end of the first sentence of the second paragraph to read as follows: “The Board of Directors hereby ratifies the waiver of the requirement that the Vice President serve as a member and Chairperson of the Credentials Committee <u>and directs the Medical Staff President to appoint the chairperson of the</u></p>	<p>A motion was made, seconded and unanimously passed to ratify the:</p> <ul style="list-style-type: none"> <li>✓ Election of Jose Fulco, M.D., to the office of Medical Staff Vice President, and</li> <li>✓ Waiver of the requirement that the Vice President serve as a member and Chairperson of the Credentials Committee, <u>and directs the Medical Staff President to appoint the chairperson of the Credentials Committee .</u></li> </ul>	Closed.

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4. Approval Of Applications for Medical Staff Membership /Privileges	<p>Dr. Holt reviewed the following medical staff applications:</p> <p style="text-align: center;"><b>Appointments</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>#</th> <th>Specialty</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3622</td> <td>Optometry</td> <td>Allied Health Independent</td> </tr> <tr> <td>3579</td> <td>Podiatry</td> <td>Allied Health Independent</td> </tr> </tbody> </table> <p style="text-align: center;"><b>Reappointments</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>#</th> <th>Specialty</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>2773</td> <td>Radiology</td> <td>Courtesy</td> </tr> <tr> <td>7449</td> <td>Cardiology</td> <td>Courtesy</td> </tr> <tr> <td>7242</td> <td>Optometry</td> <td>Allied Health Independent</td> </tr> <tr> <td>2900</td> <td>Radiology</td> <td>Courtesy</td> </tr> <tr> <td>3387</td> <td>Cardiology</td> <td>Active</td> </tr> <tr> <td>3384</td> <td>Pediatrics</td> <td>Active</td> </tr> <tr> <td>3381</td> <td>Pediatrics</td> <td>Active</td> </tr> </tbody> </table> <p style="text-align: center;"><b>Provisional Advanced</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>#</th> <th>Specialty</th> <th>Advanced</th> <th>Extended</th> </tr> </thead> <tbody> <tr> <td>3387</td> <td>Cardiology</td> <td>X</td> <td></td> </tr> <tr> <td>3384</td> <td>Pediatrics</td> <td>X</td> <td></td> </tr> <tr> <td>3381</td> <td>Pediatrics</td> <td>X</td> <td></td> </tr> </tbody> </table> <p style="text-align: center;"><b>Provisional Extended</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>#</th> <th>Specialty</th> <th>Advanced</th> <th>Extended</th> </tr> </thead> <tbody> <tr> <td>3549</td> <td>Oncology</td> <td></td> <td>X</td> </tr> <tr> <td>3553</td> <td>Teleradiology</td> <td></td> <td>X</td> </tr> <tr> <td>3533</td> <td>Radiology</td> <td></td> <td>X</td> </tr> <tr> <td>3556</td> <td>Teleradiology</td> <td></td> <td>X</td> </tr> </tbody> </table> <p style="text-align: center;"><b>Resignations (No Action Required)</b></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>#</th> <th>Specialty</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>7407</td> <td>Ob/Gyn</td> <td>Courtesy</td> </tr> <tr> <td>2721</td> <td>Cardiology</td> <td>Courtesy</td> </tr> <tr> <td>7447</td> <td>Cardiology</td> <td>Courtesy</td> </tr> <tr> <td>3483</td> <td>IM/ Rheumatology</td> <td>Courtesy</td> </tr> <tr> <td>3097</td> <td>Pediatrics Cardiology</td> <td>Courtesy</td> </tr> </tbody> </table> <p>Ken Bank reported that at the MEC meeting, there was some discussion around the value of knowing the identity of the person they are reviewing vs. the practitioner number. Ken noted the importance of basing decisions</p>	#	Specialty	Category	3622	Optometry	Allied Health Independent	3579	Podiatry	Allied Health Independent	#	Specialty	Category	2773	Radiology	Courtesy	7449	Cardiology	Courtesy	7242	Optometry	Allied Health Independent	2900	Radiology	Courtesy	3387	Cardiology	Active	3384	Pediatrics	Active	3381	Pediatrics	Active	#	Specialty	Advanced	Extended	3387	Cardiology	X		3384	Pediatrics	X		3381	Pediatrics	X		#	Specialty	Advanced	Extended	3549	Oncology		X	3553	Teleradiology		X	3533	Radiology		X	3556	Teleradiology		X	#	Specialty	Category	7407	Ob/Gyn	Courtesy	2721	Cardiology	Courtesy	7447	Cardiology	Courtesy	3483	IM/ Rheumatology	Courtesy	3097	Pediatrics Cardiology	Courtesy	<p>✓ A motion was made, seconded and unanimously passed to approve the appointments, reappointments for membership and privileges, as well as provisional advancements and extensions as recommended by the MEC.</p> <p>✓ The Board will be updated on the outcome of legal counsel related to the use of practitioner names vs. numbers.</p>	<p>Closed.</p> <p>Open.</p>
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	solely on outcomes of the peer review process. Following discussion, the MEC recommended that administration seek legal counsel on this issue. Dixon Bond noted that it was his suggestion that the Board not see practitioner names because we are a public Board, but did not see a problem with the MEC seeing names.		
Discussion Items			
1. Regional Clinics Update	<p>Mary Crow reported on the following:</p> <ul style="list-style-type: none"> <li>✓ Recruitment continues for a physician at the Lonsdale clinic.</li> <li>✓ A computer upgrade in the hospital and clinics took place last month and overall went very well.</li> <li>✓ Continuing to implement scanning in the clinics, which is the next step in becoming paperless. Medical records for all new patients in the clinics are now paperless.</li> </ul>	Information only.	Closed..
2. Strategic Planning Retreat	<p>The Spring Strategic Planning Retreat is scheduled all day on Friday, April 17 and will be held at the Mount Olivet Retreat Center in Lakeville. Ken Bank is working with John Mitchell on an agenda and materials will be mailed to the Board in advance of the meeting. Ken also noted that due to the current economy, the retreat was changed from two half-days to one whole day, which eliminates the cost for overnight accommodations, The April Board meeting will take place on the regularly scheduled meeting date of April 23.</p>	Information only.	Closed.
3. PAC	<p>The 2009 Minnesota Political Action Committee (PAC) is starting up. Ken Bank noted the importance of contributions this year to help support hospital goals related to the many laws affecting healthcare in the Minnesota Legislature. Checks should be written out to Minnesota Hospital PAC and either mailed directly to the PAC or sent to Bobbi to submit. Northfield Hospital's goal this year is \$500.</p>	Information only.	Closed.
4. Safety Center	<p>Jon Denison briefed the Board on the work of the Safety Center Task Force, which has been tasked with exploring options, site locations and a financial model for a Safety Center in Northfield. The Task Force has toured the current Safety Center and has plans to tour the facilities in Lonsdale, Prior Lake and Lakeville to see what works well and what does not. They are working closely with the City Council and will be educating the public as they work on the various financial models. The Task Force is expected to make a recommendation to the City Council in late April or early May.</p>	Information only.	Closed.

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5. Meeting Time	<p>John Lundblad suggested the Board consider starting monthly Board meetings at 6:30 p.m. instead of 6:45 p.m. Start time for the committee meeting prior to the Board would remain at 5:00 p.m. and dinner at 6:00 p.m.</p> <p>The Board discussed and decided to try it. If they find there is not enough time eat and socialize before the meeting, it will be discussed again.</p>	<ul style="list-style-type: none"> <li>✓ Beginning in April, the Board meetings will begin at 6:30 p.m.</li> <li>✓ The City will be notified of the change so the new time can be posted on the Public Meeting Schedule.</li> </ul>	Closed.
1. Medical Staff Report	<p>Dr Holt reported on the following from the recent MEC meeting:</p> <ul style="list-style-type: none"> <li>✓ The MEC discussed the differences between policies and guidelines and examples of when both should be used. Policies should be followed exactly as written, while guidelines reflect recommended practices but leave room for judgment. There is a Policy and Procedure Work Group tasked with simplifying policies and guidelines and eliminating redundancy. The MEC referred two policies back to the work group for consideration of changing to a guideline.</li> <li>✓ The committee discussed the problem of Methicillin Resistant Staff Aureus (MRSA) patients. MRSA is a bacteria that is resistant to antibiotics. The Infection Prevention Committee is investigating policies of other hospitals.</li> </ul>	Information only.	Closed.
Administrative Report			
✓ February Statistical Reports	<p>February revenues were \$253,000 under-budget while deductions from revenue were \$614,000 under-budget and operating expenses were \$295,000 under-budget. Operating income was (\$112,000) vs. a budget of (\$154,000), and total net income was (\$16,000) vs. a budget of (\$29,000).</p>	Information only.	Closed.
✓ EMS Call Volumes	<p>A copy of the February EMS call volumes was included in the packets (copy attached).</p>	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
✓ Operations Report	<p>Ken Bank reported on the following:</p> <ul style="list-style-type: none"> <li>✓ The mediation settlement agreement for the floor repair project has been signed by the City. The signature pages will be faxed to the attorneys tomorrow.</li> <li>✓ The hospital's annual review with Standard &amp; Poor's is scheduled next week. Ken Bank reported that he is not sure what to expect because healthcare has been hit hard by rating agencies.</li> <li>✓ The hospital and clinics are in the middle of the March Madness Campaign to raise money for the Food Shelf. The Board is invited to a March Madness pizza lunch on Thursday, March 25 at the hospital from 11:00 a.m. to 1:00 p.m. Admission is \$3.00, or a food donation for the Food Shelf.</li> </ul>	Information only.	Closed.
2. Committee Reports			
✓ Public Relations	Minutes from the 02/19/09 Public Relations Committee meeting were included in the Board packets (copy attached).	Information only.	Closed.
✓ Governance & Planning	Minutes from the 03/05/09 Governance & Planning Committee meeting were included in the Board packets (copy attached).	Information only.	Closed.
✓ Budget & Finance	<p>The Budget &amp; Finance Committee met tonight and discussed the following:</p> <ul style="list-style-type: none"> <li>✓ Monthly Financials</li> <li>✓ Annual Audit Review</li> <li>✓ HMO Contract Status</li> <li>✓ Review of Donations</li> </ul>	Information only.	Closed.
<u>Roundtable Discussion</u>	<p>John Lundblad noted that a "Roundtable Discussion" will be added to Board meeting agendas to give the Board an opportunity to discuss issues that were not on the agenda, make suggestions for future agendas, talk about how the meetings can be improved, etc.</p> <ul style="list-style-type: none"> <li>✓ Gina Washburn announced that she has been appointed to the Northfield Charter Commission and expects to start soon. She noted that there may be times when she has to excuse herself from discussing certain items.</li> <li>✓ Dixon Bond commented on how readable the annual audit is this year.</li> <li>✓ It was suggested that the Board get an update from IT and what is being done to secure information. Mary Crow reported that a presentation on the IT Strategic Plan is expected to come to the Board in April.</li> </ul>	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	This would be a good time for the Board to ask questions and get more information.		
Board Recess	The Board took a short recess before going into Executive Session.	None.	Closed.
Executive Session	Everyone except Ken Bank and Board members were excused from Executive Session.	None.	Closed.
Public Session	<p>Following the Executive Session, the Board reconvened in Public Session. John Lundblad reported that the Board:</p> <ul style="list-style-type: none"> <li>✓ Approved the minutes from the 01/22/09 Executive Session with one minor correction.</li> <li>✓ Discussed a Personnel Issue</li> <li>✓ Reported on a Strategic Planning Issue</li> <li>✓ Conducted the Annual CEO Evaluation.</li> </ul>		

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