



Northfield Hospital
MEETING MINUTES RECORD

Meeting: Board of Directors

Date: April 23, 2009 Location: Conference Center Start time: 6:45 p.m. Adjourn time: 8:35 p.m.

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

Members excused: John Lundblad, Gina Washburn

Members absent:

Others present: Ken Bank, Mary Crow, Roger Stapek, Vern Lougheed, Cindy Grolla, Paul Solverson, Bobbi Jenkins (Recorder)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
Call to Order	The meeting was called to order by Dixon Bond at 6:35 p.m.	None.	Closed.
Special Presentation & Discussion			
1. IT Strategic Plan	<p>Paul Solverson, Performance Improvement and Strategy Consultant with ACS Healthcare, Cindy Grolla, Director of Informatics, Vern Lougheed, Director of IS and Mary Crow reviewed the hospital and clinics Information Technology (IT) Strategic Plan, including the IT planning process, current IT state of Northfield Hospital, comparative industry analysis, future state goal, LSS ambulatory solution and proposed IT initiatives and time-line (copy of slides attached).</p> <p>The Board raised the following questions:</p> <ul style="list-style-type: none"> • <u>How do hospital systems communicate with each other when there are so many different systems, and how does this impact how patients are transferred?</u> Paul responded that there are a variety of systems hospitals use depending on their size and how far advanced they are. He also noted that even hospitals with the same system may not be able to communicate seamlessly with each other. • <u>What have been the biggest barriers?</u> Mary Crow responded that governance and ownership was difficult to begin with. Initially, the leaders did not have the authority to get staff to adopt. It was also challenging to get a physician champion of this project. Another barrier was getting employees to make the change from manual to electronic records because it is so labor intensive. 	Information only.	Closed.

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	<ul style="list-style-type: none"> • <u>How is the plan funded?</u> Roger Stapek reported that it is included in capital funding and each year a capital analysis is done. A decision is made annually on what to do for the following year. The plan itself does not need to be approved by the Board, but the related budget for it does. • <u>Who is the Chair of the Executive Committee?</u> Ken Bank is the Chair of the Executive Committee and the Executive Committee reports directly to the Board. Mary Crow and Dr. Randy Reister are co-chairs of the Steering Committee. 		
Quality & Patient Safety			
1. Safety Committee.	Minutes from the 04/07/09 Safety Committee meeting were included in the packets (copy attached).	Information only.	Closed.
Action Items			
1. Approval of Minutes of 03/19/09 Regular Board Meeting	Minutes from the 03/19/09 Board meeting were included in the Board packets (copy attached). There were a couple of minor technical changes made that do not change the meaning of the minutes.	A motion was made, seconded and unanimously passed to approve the minutes with the technical changes noted.	Closed.
2. Approval to Purchase Laboratory Analyzer	<p>Mary Crow reviewed the proposal for the purchase of a combined chemistry-immunoassay analyzer to replace the existing equipment in the laboratory and completion of required remodeling of the laboratory. (copy attached). Mary Jo Blooflat, Laboratory Director, was present to answer questions. With this new equipment, we will be able to perform more tests in-house and will also be able to get test results sooner.</p> <p>The analyzer of choice utilizes dry slide technology, which has many advantages. Due to a patent, the system is only manufactured by one company. Because of this, it was not possible to bid the equipment or secure competitive quotes. This was reviewed by the City Attorney, who agreed the State guidelines for non-competitive bids apply to this situation.</p> <p>The 2009 capital budget includes \$235,000 for purchase of this analyzer, plus the creation of the interface with our Meditech</p>	A motion was made, seconded and unanimously passed to approve the purchase of a Vitros 5600 analyzer at a cost of \$208,750, plus \$3,000 for the Meditech interface and the expenditure of up to \$40,000 for laboratory remodeling.	Closed.

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	<p>information system (\$3,200). There is an additional \$40,000 allocated for remodeling in the Laboratory, part of which will be necessary to accommodate the new analyzer and part of which will address storage and patient privacy issues in the blood draw area. The Return on Investment (ROI) calculation shows an expected payback of approximately 3 years and 1 month.</p>																																			
3. Approval of Policies																																				
<ul style="list-style-type: none"> • Deficit Reduction • Red Flags Identity 	<p>Ken Bank reviewed the following two policies (copies attached):</p> <ul style="list-style-type: none"> • <u>Deficit Reduction Act (DRA) of 2005</u> <p>This policy is required by federal law. The purpose of the Deficit Reduction Act is to prevent fraud, waste and abuse. All employees are educated as defined in this policy, including the obligation of all employees to report any suspected compliance issues. Board members are also trained, and the medical staff and contractors are provided a copy of the policy.</p> <ul style="list-style-type: none"> • <u>Red Flags Identity Theft Prevention</u> <p>This policy outlines detection, prevention and mitigation of the risk of identity theft associated with covered accounts. Included with the policy is an Identity Theft Red Flags Mitigation and Resolution Reference Table.</p>	<p>A motion was made, seconded and unanimously passed to approve both the Deficit Reduction Act and Red Flags Identity policies as presented.</p>	<p>Closed.</p>																																	
<p>4. Approval of Applications for Medical Staff Membership/Privileges</p>	<p>Ken Bank reviewed the following medical staff applications:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="3" style="text-align: center;">Appointments</th> </tr> <tr> <th style="text-align: center;"><u>#</u></th> <th style="text-align: center;"><u>Specialty</u></th> <th style="text-align: center;"><u>Category</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">3638</td> <td style="text-align: center;">Ob/Gyn</td> <td style="text-align: center;">Active</td> </tr> <tr> <td style="text-align: center;">3645</td> <td style="text-align: center;">NP</td> <td style="text-align: center;">Allied Health: Independent</td> </tr> <tr> <td style="text-align: center;">3648</td> <td style="text-align: center;">NP</td> <td style="text-align: center;">Allied Health: Independent</td> </tr> <tr> <td style="text-align: center;">3652</td> <td style="text-align: center;">CRNA</td> <td style="text-align: center;">Allied Health: Independent</td> </tr> <tr> <th colspan="3" style="text-align: center;">Reappointments</th> </tr> <tr> <th style="text-align: center;"><u>#</u></th> <th style="text-align: center;"><u>Specialty</u></th> <th style="text-align: center;"><u>Category</u></th> </tr> <tr> <td style="text-align: center;">7396</td> <td style="text-align: center;">Orthopedic Assistant</td> <td style="text-align: center;">Allied Health: Dependent</td> </tr> <tr> <td style="text-align: center;">2935</td> <td style="text-align: center;">Ob/Gyn</td> <td style="text-align: center;">Active</td> </tr> <tr> <td style="text-align: center;">7383</td> <td style="text-align: center;">Orthopedic Assistant</td> <td style="text-align: center;">Allied Health:</td> </tr> </tbody> </table>	Appointments			<u>#</u>	<u>Specialty</u>	<u>Category</u>	3638	Ob/Gyn	Active	3645	NP	Allied Health: Independent	3648	NP	Allied Health: Independent	3652	CRNA	Allied Health: Independent	Reappointments			<u>#</u>	<u>Specialty</u>	<u>Category</u>	7396	Orthopedic Assistant	Allied Health: Dependent	2935	Ob/Gyn	Active	7383	Orthopedic Assistant	Allied Health:	<p>A motion was made, seconded and unanimously passed to approve the appointments, reappointments for membership and privileges, as well as provisional advancement as recommended by the MEC.</p>	<p>Closed.</p>
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	<p>close and has good accommodations for both a one-day and two-day retreats.</p> <ul style="list-style-type: none"> ✓ The possibility of having a retreat at Willinger's was raised. After discussion, it was felt that it may be too busy there and would have more distractions. 		
Informational Items			
1. Medical Staff Report	<p>Ken Bank reported in Dr. Holt's absence items discussed/approved at the MEC:</p> <ul style="list-style-type: none"> ✓ Approved a new policy on laser safety. There are a number of specialists who provide laser treatments. The policy outlines how procedures are done safely. ✓ Discussed a Methicillin Resistant Staff Aureus (MRSA) surveillance program. MRSA is an antibiotic resistant organism. The state requires that we have an MRSA program, but leaves it up to us on how to set it up. It has the potential to be costly if a decision is made to gown, glove and isolate all patients who have or are at risk of having MRSA. A decision was made to start with a pilot program one day a week and expand as needed. ✓ The MEC requested legal counsel on the use of names vs. numbers for medical staff credentialing. Legal counsel favors continued use of numbers for the Board because it preserves the anonymity of the provider and protects the Board against claims of malice or favoritism. The attorney also favored the use of numbers for the MEC, but was not opposed if the MEC wanted to use names. The MEC discussed in great length and made a decision to continue the use of numbers. ✓ The committee discussed guidelines that are in the process of being drafted by the Surgery Committee for peri-operative management of obstructive sleep apnea. 	Information only.	Closed.
2. Administrative Report			
<ul style="list-style-type: none"> • March Statistical Reports 	<p>March revenues were \$523,000 under-budget while deductions from revenue were \$483,000 under-budget and operating expenses were \$226,000 under-budget. Operating income was \$54,000 vs. a budget of (\$132,000), and total net income</p>	Information only.	Closed.

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	<p>was \$145,000 vs. a budget of (\$50,000). The Board discussed possible reasons for a decrease in some departmental revenues. It is unclear whether they are down due to the economy or because of changing referral patterns.</p>		
<ul style="list-style-type: none"> EMS Call Volumes 	<p>A copy of the March EMS call volumes was included in the packets (copy attached).</p>	<p>Information only.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> Operations Report 	<p>Ken Bank reported on the following:</p> <ul style="list-style-type: none"> ✓ A special meeting with the management team was held this week regarding the current economy. Ken told managers that there is great deal of economic uncertainty right now and asked that each department try to reduce their expenditures this year by 5%. Over the next few weeks, each administrator will be meeting with their managers to discuss ways to get this goal accomplished. ✓ Ken attended a hearing at the State Capitol regarding state budget cuts. If the budget were passed as presented, many Minnesota hospitals may not survive. The strongest message came from a patient. After the meeting, Ken met with Representative David Bly and a press release was issued by Representative Bly that stated Ken had advocated for greater reimbursement. Following the press release, Ken received a phone call from a reporter at the Northfield News and expects there to be an article in the Northfield News in the near future regarding this issue. <p>The Board inquired about what they could do to support the hospital. Ken did not feel there is anything to be done at this time. The House is quite supportive, but we are unsure where the Senate stands on the budget.</p> <ul style="list-style-type: none"> ✓ Administration has been tracking the potential Bill on a wage freeze for all public employees. It went to committee in the House and Senate, but did not move forward in time. The risk now is that it could be attached to another Bill. 	<p>Information only.</p> <p>Administration will let Board members know if there is anything the Board can do to support the hospital related to legislative issues</p>	<p>Closed.</p>
<ul style="list-style-type: none"> Summary of Strategic & Organizational Objectives – 1st Qtr. 	<p>A copy of the first quarter summary of organizational objectives was included in Board materials (copy attached).</p>	<p>Information only.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> Capital Purchase Summary- 1st Qtr. 	<p>A copy of the first quarter summary of capital requests was included in Board</p>	<p>Information only.</p>	<p>Closed.</p>

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	materials (copy attached).		
3. Committee Reports			
<ul style="list-style-type: none"> Public Relations 	The Public Relations Committee did not meet during the last month.	Information only.	Closed.
<ul style="list-style-type: none"> Governance & Planning 	<p>The Governance & Planning Committee met tonight prior to the Board meeting and discussed the following:</p> <ul style="list-style-type: none"> ✓ Follow-up on the recent Board Retreat. A recommendation will come to the Board tonight in Executive Session, ✓ Succession planning, ✓ Reviewed summaries of Board education and attendance for 2008 (no concerns), ✓ YMCA collaboration, and ✓ Financial objectives to be used for staff bonuses. 	Information only.	Closed.
<ul style="list-style-type: none"> Budget & Finance 	Minutes from the 03/19/09 Budget & Finance Committee were included in the Board packets (copy attached).	Information only.	Closed.
Roundtable Discussion	<p>Dixon Bond opened the floor to any additional items the Board wishes to discuss:</p> <ul style="list-style-type: none"> ✓ Dixon noted that there were only two Board members who attended every Board meeting in 2008. He encouraged the Board to make every effort to attend all meetings. ✓ Two Board members will be completing their final terms at the end of 2008. The Governance & Planning Committee is charged with reviewing and recommending revisions to the Board Development Plan annually. This includes recommendations to the Mayor for hospital Board appointments and reappointments. The Governance & Planning Committee discussed skill sets that we will be missing at the end of the year with the two members completing their final terms. They also discussed the timing of the recommendation to ensure the Mayor receives this information prior to her making appointments. Dr. Reister noted a physician who has interest in serving on the Board if we are looking for a second physician. The committee welcomes any feedback from Board members. 	Information only.	Closed.
Board Recess	The Board took a brief recess before going into Executive Session.	None.	Closed.

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Executive Session	Everyone except Ken Bank and Board members were excused from Executive Session. Dr. Reister was also excused due to a conflict of interest in the nature of what is being discussed in Executive Session.	None.	Closed.
Public Session	<p>Following the Executive Session, the Board reconvened in Public Session. Dixon Bond reported that the Board:</p> <ul style="list-style-type: none"> ✓ Approved minutes from the 03/19/09 Board Executive Session. ✓ Confirmed the results of direction given by the Board at their retreat held earlier this month and came to consensus on how to execute and carry it out 	None.	Closed.
Adjournment	The meeting was adjourned at 8:20 p.m.	None.	Closed.

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