

MEETING MINUTES RECORD

Meeting: Board of Directors

Date: September 29, 2016 Location: Conference Center Start time: 6:30 pm Adjourn time: 9:20 pm

Members present: Virginia Kaczmarek, Charles Kyte, CC Linstroth, Michelle Muench, MD, Bob Murray, Steve O'Neill, James Schlichting

Members excused: Charlie Mandile, Jonathan Reppe

Members absent:

Staff Present: (attended all or part of the meeting): Ann Reuter, Vern Lougheed, Stacie Rice, Emily Murphy, Steve Underdahl, Jerry Ehn, Jeff Meland, MD, Scott Edin, Betsy Spethmann, Ben Flannery, MD, Ann Reuter, Stacie Rice, Bobbi Jenkins (recorder)

Others present: David Emery (LWV), Mayor Dana Graham

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
1. Call to Order and Approval of the Agenda	The meeting was called to order by James Schlichting at 6:30 pm. Two Board members were absent from the meeting: Charlie Mandile and Jonathan Reppe. James noted that the last item on the Consent Agenda: "Approval of Donations to Non-Profit Organizations Policy" was removed from the Consent agenda and will be sent to the Governance & Planning Committee for further discussion before coming to the full Board for approval. CC Linstroth inquired why it was removed as it was reviewed and approved by the Community Relations Committee meeting last month. James responded that some verification required before it comes to the full Board for approval.	A motion was made by Steve O'Neill and seconded by Bob Murray to approve the agenda with the one deletion noted. Motion carried.	Closed.
2. Spotlight Report-Patient Experience	Steve Underdahl introduced Ann Reuter, Director of Quality, and Stacie Rice, Quality Improvement Specialist. At a previous meeting, the Board requested more information on patient satisfaction surveys and the patient experience. The patient experience begins from the first phone call or presentation at the hospital or clinic, through receiving the bill: care, conversations, documents, website, building, etc. Ann and Stacie presented the Patients' Perceptions of Care, including patient experience vs. satisfaction, and Consumer Assessment of Healthcare Providers and Systems (survey) for both the hospital and the clinic. Sample questions from the hospital and clinic surveys were distributed to the Board.	Information only.	Closed.

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3. Reports <ul style="list-style-type: none"> Hospital Chief of Staff Report 	Dr. Holt presented the following items from the Medical Executive Committee for the Board's approval: <ul style="list-style-type: none"> Applications for medical staff members/ privileges Contracted Services Quality & Performance Improvement Policy and Program 	Information only.	Closed.																																																																		
<ul style="list-style-type: none"> Motion to Approve Applications for Medical Staff Membership/ Privileges 	Medical Staff files were presented for approval: <p style="text-align: center;"><u>Appointments</u></p> <table border="1" data-bbox="386 583 928 928"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3877</td> <td>Internal Medicine/ Cardiology</td> <td>Affiliate</td> </tr> <tr> <td>3882</td> <td>Mental Health</td> <td>AH:I</td> </tr> <tr> <td>3875</td> <td>CRNA</td> <td>AH:I</td> </tr> <tr> <td>3881</td> <td>CRNA</td> <td>AH:I</td> </tr> <tr> <td>3883</td> <td>Mental Health</td> <td>AH:I</td> </tr> <tr> <td>3880</td> <td>Mental Health</td> <td>AH:I</td> </tr> </tbody> </table> <p style="text-align: center;"><u>Reappointments</u></p> <table border="1" data-bbox="386 1003 928 1201"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3731</td> <td>Teleradiology</td> <td>Telemedicine</td> </tr> <tr> <td>7402</td> <td>Emergency Medicine</td> <td>Active</td> </tr> <tr> <td>2740</td> <td>Pediatrics</td> <td>Active</td> </tr> </tbody> </table> <p style="text-align: center;"><u>Provisional Status</u></p> <table border="1" data-bbox="386 1243 928 1558"> <thead> <tr> <th>Prac#</th> <th>Privilege</th> <th>Adv.</th> <th>Ext.</th> </tr> </thead> <tbody> <tr> <td>3804</td> <td>FP</td> <td>X</td> <td></td> </tr> <tr> <td>3778</td> <td>EM</td> <td>X</td> <td></td> </tr> <tr> <td>3803</td> <td>Anesthesiology</td> <td></td> <td>X</td> </tr> <tr> <td>3779</td> <td>Oral Surgery</td> <td></td> <td>X</td> </tr> <tr> <td>3802</td> <td>Tele-radiology</td> <td>X</td> <td></td> </tr> </tbody> </table> <p style="text-align: center;"><u>No Action Required</u></p> <p style="text-align: center;"><u>Voluntary Resignations</u></p> <table border="1" data-bbox="386 1633 928 1822"> <thead> <tr> <th>Prac#</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3699</td> <td>IM/ Cardiology</td> <td>Affiliate</td> </tr> <tr> <td>7139</td> <td>Ophthalmology</td> <td>Affiliate</td> </tr> </tbody> </table>	Prac #	Privilege	Category	3877	Internal Medicine/ Cardiology	Affiliate	3882	Mental Health	AH:I	3875	CRNA	AH:I	3881	CRNA	AH:I	3883	Mental Health	AH:I	3880	Mental Health	AH:I	Prac #	Privilege	Category	3731	Teleradiology	Telemedicine	7402	Emergency Medicine	Active	2740	Pediatrics	Active	Prac#	Privilege	Adv.	Ext.	3804	FP	X		3778	EM	X		3803	Anesthesiology		X	3779	Oral Surgery		X	3802	Tele-radiology	X		Prac#	Privilege	Category	3699	IM/ Cardiology	Affiliate	7139	Ophthalmology	Affiliate	A motion was made by Charlie Kyte and seconded by Virginia Kaczmarek to approve the appointments, reappointments, and advancement and extension of provisional status as recommended by the Medical Executive Committee. Motion carried.	Closed.
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<ul style="list-style-type: none"> CMO Report 	<p>Dr. Jeff Meland reported that new Hospitalist Program has been up and running since September 1 and is doing very well. He thanked Allina for their assistance to help make this happen.</p>	Information only.	Closed.
<ul style="list-style-type: none"> FamilyHealth Clinic Medical Director Report 	<p>Dr. Flannery reported on the following:</p> <ul style="list-style-type: none"> FamilyHealth is recruiting for a family practice and/or internal medicine provider. The Northfield clinic is feeling a need for more space. Discussions are occurring regarding some remodeling to free up some space and make them more efficient. The Hospitalist Program has been a nice enhancement, but has also taken a couple of the providers out of the clinic which has created some access issues. The clinic received a grant from Reach out and Read Program to expand the book reading program to older children. This program also includes children seen in the HealthFinders Clinic. 	Information only.	Closed.
<ul style="list-style-type: none"> Allina Clinic Medical Director Report 	No report	None.	Closed.
<ul style="list-style-type: none"> Mayo Report 	No report.	None.	Closed.
<ul style="list-style-type: none"> City Business Update 	<p>Mayor Dana Graham reported on the following:</p> <ul style="list-style-type: none"> Shared his personal experience at the hospital a few months ago when he had his hip replaced. He had excellent care from the time he came in until he left. Everyone he encountered treated him exceptionally. It was the best hospital experience he has ever had. Commended the City staff for the exemplary work they did during the recent flooding on the Cannon River. 	Information only.	Closed
<ul style="list-style-type: none"> CFO Report 			
<ul style="list-style-type: none"> ✓ August Financials 	<p>August gross patient revenues were \$2,925,000 over-budget, while deductions from revenue were \$1,064,000 over-budget. Operating expenses were \$563,000 over-budget. Operating income was \$642,000 vs. a budget of (\$431,000) (year-to-date: 4.0% operating margin vs. (0.7%) budgeted).</p>	Information only.	Closed.

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	Key positive and negative volumes for August were reviewed, as well as day's cash on hand, payer mix and salary and benefits as % of net revenues.		
<ul style="list-style-type: none"> • CEO Report 	<p>James Schlichting reminded the Board that they have a template at the table to take notes on the CEO report.</p> <p>Steve Underdahl reported on the following:</p> <p><u>Operations</u></p> <ul style="list-style-type: none"> • A Board portal is in development and expected to be implemented in the not too distant future. • August was a very busy and productive month. Exploring changes to the budgeting process. Year-to-year budget benchmarking is becoming less predictable in the future. • Smart Choice is offering MRIs for \$600 in Woodbury, including contrast and reading. They are opening more locations in the area. • United Health is expanding rapidly into the urgent care market. • NH&C received an Excellence Award from NRC Picker related to patient experience. • Exploring participating in a National Rural Accountable Care Organization (ACO). • Planning for the Ken Bank memorial wall are underway. Board members were invited to look at the art model following the Board meeting. Fabrication will begin in October with a tentative dedication expected in December. <p><u>Strategic</u></p> <ul style="list-style-type: none"> • The strategic dashboard for September looks good with projects on track. • The Hospitalist Program has been in place since September 1 with the first month very positive. • Vern Loughheed and Emily Murphy will be presenting on the Electronic Medical Records (EMR) vendor comparison later this evening. • Currently recruiting for 24-hour respiratory therapy services. 	Information only.	Closed.

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	<ul style="list-style-type: none"> • Shared a picture and meaning behind the new NH&C logo. • The branding continuity plan is on target. Final naming changes are being vetted, followed by signage changes. • The process improvement workbook has been completed. Currently selecting a vendor to print. The leadership structure has been identified. The team, goals and deliverables have been developed. • A comprehensive set of best practice metrics have been developed. Will continue to refine. • Foundation options are accelerating. We have a potential donor. • An architect has been selected for the OB/Long Term Care project. The market analysis has been completed, program space planning has been initiated, and long term care an assisted living options have been reviewed with vendor partner. 		
<ul style="list-style-type: none"> • Budget & Finance Committee Report 	<p>Charlie Kyte reported on the Budget & Finance Committee meeting from earlier this evening. The committee:</p> <ul style="list-style-type: none"> • Approved minutes from the last meeting. • Reviewed the August financials, • Reviewed the Budget calendar, • Planning for a special meeting in late November to review the 2017 budget, and • Discussed a potential land acquisition. 	Information only.	Closed.
<ul style="list-style-type: none"> • Quality Assurance Committee Report 	<p>CC Linstroth reported on the Quality Assurance Committee meeting from earlier this evening. The committee:</p> <ul style="list-style-type: none"> • Followed-up on a case review, • Reviewed the quality dashboard, • Reviewed supporting evidence for selected quality activities, • Received an update in the quality structure, and • Discussed committee report to the Board. <p>CC thanked Ann Reuter and Stacie Rice for all the hard work they do preparing and reporting at the committee meetings.</p>	Information only.	Closed. relabel

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4. Consent Agenda	<p>Supporting documentation was included in the packet for items on the Consent agenda:</p> <ul style="list-style-type: none"> • Meeting minutes: <ul style="list-style-type: none"> ✓ 08/25/16 Board Meeting ✓ 08/25/16 Community Relations Committee • Approval on contracted services • Approval of Quality & Performance Improvement Policy & Program <p><i>Note: Approval of Donations to Non-Profit Organization Policy was removed from the Consent Agenda earlier in the meeting.</i></p>	<p>A motion was made by Steve O'Neill and seconded by Charlie Kyte to approve the Board meeting minutes, accept the Community Relations Committee minutes, and approve the Contracted Services and Quality & Performance Improvement Policy & Program. Motion carried.</p>	<p>Closed.</p>
5. Presentations/ Discussion/ Action Items			
<ul style="list-style-type: none"> • Quality Dashboard Report 	<p>Ann Reuter, Director of Quality, reviewed the key performance report for January through June 2016. The report included publicly reported measures that are included in the Value Based Purchasing Program. For FY2017 CMS withheld 2.0% of its base operating DRG payments to create a budget neutral pool for this program. Hospitals earn point based on achievement and improvement on these measures. A hospital's total score determines whether they receive more or less than the percentage withheld. For fiscal year 2017 Northfield Hospital earned back 4.05% which is more than the 2.0% withheld.</p>	<p>Information only.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> • EMR Evaluation 	<p>Vern Loughheed, Director of IT/IS and Emily Murphy, Director of Clinical Informatics updated the Board on the Xerox assessment that:</p> <ul style="list-style-type: none"> • Evaluates the current information system, • Identifies issues, future vision and requirements, • Reviews potential vendor alternatives, and • Provides a final report that compares the vendor alternatives and includes a Road Map identifying the steps and process required to successfully implement and adopt a new technology. <p>The y reviewed vendor considerations, a vendor comparison summary, and total cost of ownership.</p>	<p>Information only.</p>	<p>A proposal is expected to come to the Board in early 2017.</p>

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	<p>The next step is to continue the selection process by:</p> <ul style="list-style-type: none"> • Identifying system options for further due diligence, • Scheduling vendors for onsite system demonstration, • Developing detailed demonstration scripts, scenarios and post demonstration evaluation forms • Conducting onsite system, demonstrations, • Evaluating vendor demonstrations • Conducting reference calls, • Scheduling and attend site visits • Cumulative scoring, final review and ID Vendor of Choice, • Contract negotiations, and • Pre-implementation planning 		
<ul style="list-style-type: none"> • Approval of Donations 			
<ul style="list-style-type: none"> ✓ Northfield School District Community Services Division Recreation Program Year's 2 & 3 	<p>Steve O'Neill presented a request from the Community Relations Committee to the full Board to support the Northfield School District Recreation Program for years two and three of the original three-year request. Year one request was approved by the Board earlier this year and years two and three were postponed until the Community Relations Committee could review using it standard process. The Community Relations Committee met in August and recommended approval of year two in the amount of \$115,900 and year three in the amount of \$118,797. It was also recommended that to simplify the process, the gifts should be approved without any other stipulations (copy of memo to the Board from the Community Relations Committee was included in the packet).</p>	<p>A motion was made by Charlie Kyte and seconded by Virginia Kaczmarek to approve year two in the amount of \$115,900 and year three in the amount of \$118,797 presented by the Community Relations Committee. Motion carried.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> ✓ Grant Request from Northfield Public Schools 	<p>Steve O'Neill presented a request from the Community Relations Committee to approve a request from the Northfield School District for a one-time grant in the amount of \$15,449.52 to purchase 40 wrist wearable heart monitors to help students monitor heart rates and track personal fitness levels (copy of memo to the Board from the Community Relations Committee was included in the packet).</p>	<p>A motion was made by Virginia Kaczmarek and seconded by Bob Murray to approve the grant request in the amount of \$15,449.52 for the Northfield School District as recommend by the Community Relations Committee.</p>	<p>Closed.</p>

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6. Roundtable, Announcements and Questions	<p>James Schlichting reported on the following:</p> <ul style="list-style-type: none"> • The Board will take a short break before going into a Closed Session, • Reminder to Board members to get a flu shot. A schedule of the dates Flu shots will be offered was sent to the Board, • Walt Flynn is drafting revisions to the annual CEO evaluation process. The draft is expected to be presented to the Governance & Planning Committee at their October meeting. 	Information only.	Closed.
7. Pending Items	N/A	N/A	N/A
8. Complete Board Evaluation Form	The Board was reminded to complete their meeting evaluation form and return it to Bobbi Jenkins.	Information only.	Closed.
9. Closed Session	The Board went into Closed Session at 8:50 pm. The purpose of the Closed Session was to discuss marketing activity related to the hospital's competitive position with other health care providers that offer similar goods and services pursuant to Minn. Stat 144.581, subd. 5.	A motion was made by Charlie Kyte and seconded by Steve O'Neill to move into Closed Session. Motion carried.	Closed.
10. Open Session	The Board moved into Open Session at approximately 9:15 p.m. James Schlichting reported that the Board approved meeting minutes from the 08/25/16 Closed Session and the Board received an update on Urgent Care and an Ambulatory Surgery Center.	Information only.	Closed.
11. <u>Adjourn</u>	The meeting was adjourned at 9:20 pm	A motion was made by Bob Murray and seconded by Steve O'Neill to adjourn the meeting. Motion carried.	Closed.