

MEETING MINUTES RECORD

Meeting: Board of Directors – Virtual Meeting during COVID-19 Pandemic

Date: August 18, 2022

Location: Virtual Meeting

Start time: 5:04 pm

Adjourn time: 7:14 pm

Board Members:

- Fred Rogers, Board Chair
- Sarah Carlsen, Vice-Chair
- Rick Estenson
- Michael Hemesath
- CC Linstroth
- Charlie Mandile
- Robert Morrison
- Rhonda Pownell
- Jami Reister

Staff:

- Steve Underdahl, CEO
- Jerry Ehn, COO(joined later)
- Jeff Meland, MD., CMO
- Monty Seper
- Scott Edin, CFO
- Tammy Hayes, CNE
- Betsy Spethman, Director of Community Relations
- Kelly Velander (Recorder)
- Vern Lougheed

Others:

- Ben Martig, City Administrator
- Teresa Knoedler, Legal Counsel

Guests:

Matt Anderson, Atrede Consulting

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> • Call to Order and Approval of the Agenda 	<p>The board meeting was called to order by Fred Rogers at 5:04 p.m.</p> <p>It was determined that it is was not feasible for members of the board of directors to be physically present at the board meeting due to the COVID-19 pandemic. The virtual meeting was held via WebEx.</p> <p>Items on the consent agenda (available on the portal):</p> <ul style="list-style-type: none"> • Meeting minutes (approve) <ul style="list-style-type: none"> ✓ Board Meeting- (7/28/22) • Meeting minutes (accepted) <ul style="list-style-type: none"> ✓ Budget & Finance Committee (7/21/22) • Meeting minutes (accepted) <ul style="list-style-type: none"> ✓ Governance & Planning Committee (7/26/22) 	<p>A motion was made by CC Linstroth and seconded by Robert Morrison to approve the regular and consent agendas as presented. Motion carried.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> • Reports 			

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1. Hospital Chief of Staff Report		No updates provided.	Closed																																																												
<ul style="list-style-type: none"> Approval of Applications for Medical Staff Membership/ Privileges 	<p>The medical staff applications from the Credentials Committee were presented for approval.</p> <p>Appointments</p> <table border="1" data-bbox="378 443 886 516"> <thead> <tr> <th>Practitioner #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>4157</td> <td>Telemedicine</td> <td>eHospitalist</td> </tr> </tbody> </table> <p>Reappointments</p> <table border="1" data-bbox="378 590 886 999"> <thead> <tr> <th>Practitioner #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>3882</td> <td>AH:I</td> <td>Behavioral health</td> </tr> <tr> <td>3261</td> <td>Affiliate</td> <td>Pathology</td> </tr> <tr> <td>3959</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3697</td> <td>Affiliate</td> <td>Pathology</td> </tr> <tr> <td>3769</td> <td>Active</td> <td>General Surgery</td> </tr> <tr> <td>3968</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3586</td> <td>H&P</td> <td>H&P</td> </tr> <tr> <td>2716</td> <td>Refer and Follow</td> <td>Refer and Follow</td> </tr> <tr> <td>3772</td> <td>Active</td> <td>EM/ FM</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Provisional Status</p> <table border="1" data-bbox="378 1062 886 1304"> <thead> <tr> <th>Practitioner #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>4065</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>3823</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>4081</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>4086</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>4082</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>4076</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> </tbody> </table>	Practitioner #	Category	Privilege	4157	Telemedicine	eHospitalist	Practitioner #	Category	Privilege	3882	AH:I	Behavioral health	3261	Affiliate	Pathology	3959	Telemedicine	Teleradiology	3697	Affiliate	Pathology	3769	Active	General Surgery	3968	Telemedicine	Teleradiology	3586	H&P	H&P	2716	Refer and Follow	Refer and Follow	3772	Active	EM/ FM				Practitioner #	Category	Privilege	4065	AH:I	Behavioral Health	3823	AH:I	Behavioral Health	4081	AH:I	Behavioral Health	4086	AH:I	Behavioral Health	4082	AH:I	Behavioral Health	4076	AH:I	Behavioral Health	<p>A motion was made by Sarah Carlsen and seconded by Rick Estenson to accept the recommendations from the Medical Executive Committee as presented. Motion carried.</p>	<p>Closed</p>
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<ul style="list-style-type: none"> Patient Care Update- Home Care & Hospice 	<p>Tammy Hayes presented the home care & hospice Quality report.</p> <ul style="list-style-type: none"> This report is reviewed by the board annually. The Home care quality data includes complaints, feedback, vulnerable adult reports, incident reports, medication errors, infection surveillance, chart audits, results of MDH surveys, home health care CAHPS data, OASIS measure and high risk, high volume or problem-prone areas that are identified. Home Care at NH+C is above national and state trends for care and service. Home Care improvement projects included documentation improvements (new EMR on April 1st, and OASIS training), timely initiation of care and education, medication including the Color my Meds project Amount of time to get help (Magnets). Hospice quality data shows complaints, feedback, vulnerable adult reports, incident reports, medication errors, infection surveillance, chart audits, results of MDH surveys, Hospice CAHPA data to include Evaluation of Grief support services data, HIS measures and high-risk, high volume or problem-prone areas that are identified. 2nd quarter Hospice data indicates NH+C is at or above state and national trends. <p>Hospice current improvement projects include documentation projects and training of family.</p>	Information only.	Closed.
<ul style="list-style-type: none"> Environmental Scanning 	<p>Matt Anderson, of Atrede Consulting, shared insight on current trends and turbulence in Minnesota's health care ecosystem. Areas highlighted were payers, providers, patients, public policy and quality.</p> <p>Matt believes these areas are being currently Influenced by such things as inflationary pressures, higher acuity of patients affordability, new payer mix and strategic partnerships, hospital consolidations and capital realignments, federal policy pressures and workforce pressures.</p>	Information only.	Closed.
<ul style="list-style-type: none"> Bank Financing Proposal* 	<p>Scott Edin, CFO, presented a recommendation that we enter into a bank financing with Community Resource Bank. A resolution was included in the Board packet that allows Scott & Steve to negotiate terms of a bank financing on behalf of NH+C. A loan has been identified that will allow NH+C to borrow funds of up to \$10 million to repay itself for Capital costs related to the Birthing Center project that was completed in June 2021.</p>	<p>A motion was made by Rick Estenson and seconded by Michael Hemesath to approve the recommended issuance of hospital revenue bond authorizing execution of supplemental indentures of trust and related documents in</p>	<p>The approved revenue bond recommendation will be shared at the September 6th, 2022 City Council meeting.</p> <p>Upon City approval, final documents will be executed and on or about September 19, 2022 and the closing of</p>

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		<p>the total amount of \$10M as presented.</p> <p>All voting members of the NH+C Board were present, and the motion carried unanimously.</p>	<p>series 2022 bond and receipt of proceeds will occur with a second closing of series 2023 of bond and receipt of proceeds to follow on or about January 9th, 2023.</p>
Executive and Committee Reports			
<ul style="list-style-type: none"> CEO Report 	<p>Steve Underdahl, CEO, reported on the following:</p> <p><u>COVID-19 Update:</u></p> <ul style="list-style-type: none"> • Toggling between 0-1 hospitalized COVID patients at NH+C • Transmission rates in most of Minnesota is still high. <p><u>Strategic update:</u></p> <ul style="list-style-type: none"> • EHR post-live is going well. We are validating and pressure testing many process and putting small “fires” as they occur. • A multi-disciplinary group is establishing a process for contemporaneous review of transfers of patients. • A team is reviewing a gaps analysis approach regarding current and future mental health/substance abuse resources. • Workforce continues to be a significant rate limiting factor and budget concern. <p><u>Operations update:</u></p> <ul style="list-style-type: none"> • Tough summer for healthcare for many Minnesota hospitals • NH+C Urgent Care has as go-live date of September 15th, 2022. • The Faribault NH+C Clinic has received new signage and new identity. • Four new providers will be joining the NH+C practice. <p><u>Policy</u></p> <ul style="list-style-type: none"> • New federal legislation has been passed that will provide several additional healthcare resources, including prescription drug assistance. • News of labor negotiations in the Twin Cities could impact our ability to transfer patients if they end up in a strike. Impact of this possible strike will have an impact all around the state. 	Information only.	Closed.
<ul style="list-style-type: none"> Financial Report 	<p>Scott Edin, CFO was not able to share July financials due to delay with implementation of the new EHR.</p>	Information only.	Closed.

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	<p>Scott Edin, CFO presented the June financial report.</p> <p><u>June Key Drivers</u></p> <ul style="list-style-type: none"> • Inpatient Admits were 13% over forecast • Emergency Dept visits were 8% under forecast • Surgery procedures were 3% under forecast <p><u>Financial Outcomes</u></p> <ul style="list-style-type: none"> • Gross Revenues were \$298K over forecast • Deductions were \$422K over forecast • Bad Debt was \$145K over forecast • Net Revenues were \$278K under forecast • Operating expenses were \$43K under forecast • Resulting in a Net Operating Loss of \$730K 		
<ul style="list-style-type: none"> • Roundtable, Announcements and Questions 	<ul style="list-style-type: none"> • Nothing shared. 	Information only.	Closed.
<ul style="list-style-type: none"> • Adjourn 	The meeting was adjourned at 7:14 p.m.	Motion made by Robert Morrison and seconded by CC Linstroth to adjourn meeting. Motion carried.	Closed.