



# Meeting Minutes Record

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

**Date:** April 27, 2023

**Location:** Virtual Meeting

**Start Time:** 5:04pm

**End Time:** 7:52pm

**Board Members Present:** Sarah Carlsen- Board Chair, Michael Hemesath- Vice-Chair, Rick Estenson, Katie Lane, Robert Morrison, Rhonda Pownell(joined later), Jami Reister, Fred Rogers

**Staff Present:** Steve Underdahl- CEO, Jerry Ehn- COO, Jeff Meland- CMO, Monty Seper, Ben Flannery- MD, Eric Guth- Interim CFO, Tammy Hayes- CNE, Betsy Spethman- Director of Community Relations, Kelly Velandar (Recorder), Vern Lougheed- ITS

**Others Present:** Teresa Knoedler- Legal Counsel

**Board Members Absent:** Crystal Mulvihill

**Staff Absent:**

**Others Absent:** Ben Martig- City Administrator

## Call to Order and Approval of the Agenda

Prior to calling the meeting to order, board chair, Sarah Carlsen wanted to take a heartfelt moment to share condolences to the staff at NH+C for the recent passing of Chief Financial Officer, Scott Edin. He was a valuable member of the leadership team and board, as well as an involved community member and friend. His legacy will forever live on in the hearts of many.

The board meeting was called to order by Sarah Carlsen at 5:04 p.m.

Sarah also announced that at the conclusion of the open session meeting, there will be a closed session pursuant of Minn. Stat. 13E.05, subd. 3(a)- To evaluate the performance of an individual who is subject to its authority of the board.

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. All action items will receive a roll call vote.

Items on the consent agenda (available on the portal):

- Meeting minutes (approve)
  - Board meeting (March 23, 2023)
- Meeting minutes (accepted)
  - Quality Committee (March 16, 2023)
  - Budget and Finance Committee (April 11, 2023)
- Policies
  - Antibiotic Stewardship Policy
  - Revision to Medical Staff Manual: Chapter 4, Section 2.5 “Investigation and correct action”
  - Appointment of Infection Prevention and Infection Prevention and Control Plan Policy

**Action: A roll call vote was held, and a unanimous motion was made to approve the both the agenda consent agenda items as presented. Motion carried.**

**Follow-up/Resolution: Closed.**

## **Reports**

### **Hospital Chief of Staff Report**

**Action: No updates provided**

**Follow-up/Resolution: Closed.**

### **Approval of Applications for Medical Staff Membership/Privileges**

The medical staff applications from the Credentials Committee were presented for approval by Dr. Flannery.

Steve Underdahl also shared information regarding a current concern surrounding a shortage of the albuterol. This information was brought forward recently by NH+C physicians and staff, who also shared implications this may have providing care to those we serve. Many around the United States are working to remedy this shortage.

#### **Appointments:**

- 4192: AH:I, NP- Oncology
- 4191: Active, Orthopedic Surgery

#### **Reappointments:**

- 3638: Affiliate, OB/GYN
- 3746: Telemedicine, Teleradiology
- 3092: Telemedicine, Teleradiology
- 4076: AH:I, Behavioral Health
- 7398: Telemedicine, Teleradiology

- 3745: AH:I, Anesthesia
- 3740: AH:I, NP- Oncology
- 3706: Affiliate, Radiology
- 3743: AH:I, Anesthesia
- 7224: Active, Emergency Medicine
- 4072: AH:I, Nurse Practitioner

**Action: A roll call vote was held, and a unanimous motion was made to approve the medical staff files as presented. Motion carried.**

**Follow-up/Resolution: Closed.**

## **Presentations/Discussions/Action Items**

### **Mental Health Approaches**

Sandy Mulford, special projects consultant, shared the current mental health care approaches and the work being vetted to help the rising needs for those we care for our community.

In this report, Sandy shared that mental health is an ever rising concern in many communities and that there are a growing number of people that arrive at hospitals and clinics with mental health and substance abuse issues. Many times, they present in the emergency rooms. Finding resources for the patients can be very difficult.

NH+C has worked with an assessment work group that consists of physicians, social workers, patient advocates and leadership to work towards closing identified gaps. Some of this work has included:

- Better access to accurate community resources information for our care teams
- Working with a medication management resource consultant locally
- Finding more robust community-based therapy resources for patients
- Providing telemedicine assessments • Providing mental health first aid training for staff

**Action: Information only.**

**Follow-up/Resolution: Closed.**

## **Executive and Committee Reports**

### **CEO Report**

Steve Underdahl, CEO, reported on the following:

Steve shared a sorrowful message regarding the loss of CFO, Scott Edin. He echoed Sarah Carlsen's previously mentioned emotions that Scott's legacy will live on and what a great human being he was. Steve is grateful for the years working with Scott, his passion for our community and hospital will not be forgotten. He thanked everyone for their kind words as we try to maneuver this recent, unexpected loss. Included was the upcoming service information.

Steve also expressed gratitude to Eric Guth for stepping into the interim CFO position. Eric has been with NH+C for a few years as the controller. A more permanent decision for Scott's replacement will be announced in the very near future.

### **Strategic Update:**

- The number one strategy priority recently has been accessing and addressing the clinical, operational and financial structures of the enterprise due to the continuation of financial stressors that continue around the state and nation in healthcare.
- A deeper dive into these initiatives will be discussed at the closed session board retreat that is being rescheduled for midMay. At this retreat there will be four primary considerations 1) the expense architecture of the organization, 2) a review of the portfolio of services, 3) a review of the payer contract performance, and 4) review of the current organizational structure.
- Shared statistics from the recent AHA report that supported the notion that the country shares in the financial stressors that healthcare facilities all around are experiencing. Of these statistics, noted was that hospital labor expenses were outpacing reimbursement by an increase of 20.8%, Supply expenses per patient were up 18.5% and purchased services were also up 18%.
- Steve shared that another current pressure is the cost involved in the PERA (Public Employees Retirement Association) and the impact that it has on our enterprise. This will be reviewed in more depth at the board retreat in May as well.
- The scope and clinical acuity work group is making great progress.
- DEI efforts are also moving forward and on track.

### **Operations Update:**

- Operations continue to be stressed.
- Mitigation efforts are being developed.
- Analysis efforts are being developed by Clifton Larson Allen and shared with Administration for review.

### **Policy Update:**

- Lots of concern with current legislation policy getting lots of attention by all leaders of healthcare in Minnesota. The "Keep the Nurses by the Bedside" act being will have large implications and financial stress on our organization, if passed in its current form.
- Steve participated in Capitol Hill visits recently in Washington D.C. around the significant issues that are happening with hospitals and nursing homes.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

## **Financial Report**

Eric Guth, Interim CFO, presented the March financial report.

### **March Key Drivers**

- Inpatient Admits were 1% over forecast.
- Emergency Dept visits were 9% over forecast.
- Surgery procedures were 11% over forecast.

**Financial Outcomes:**

- Gross Operating Revenues were \$107K over forecast.
- Deductions were \$110K under forecast.
- Bad Debt was \$151K over forecast.
- Net Revenues were \$65K over forecast.
- Operating expenses were \$594K over forecast.
- Net operating loss was \$1.7M vs. a forecast loss of \$1.2M.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

**Budget and Finance Committee (verbal report)**

Fred Rogers gave a brief summary update of the Budget & Finance Committee meeting from April 20, 2023.

- The committee met with the auditors and the group is still finishing the materials and will present at the board meeting in June

**Action: Information only.**

**Follow-up/Resolution: Closed.**

**Roundtable, Announcements and Questions**

No discussion.

**Action: Information only.**

**Follow-up/Resolution: Closed.**

**Closed Session.**

- A brief break was taken prior to the start of Closed session, everyone was excused from the meeting except board members.
- At 6:24 pm the Board went into Closed Session pursuant to of Minn. Stat. 13E.05, subd. 3(a)- To evaluate the performance of an individual who is subject to its authority of the board.

**Action: A roll call vote was held, and a unanimous motions was made to move into closed session. Motion carried.**

**Follow-up/Resolution: Closed.**

## **Adjourn**

The meeting was adjourned at 7:52 p.m.

**Action: A motion was made by Katie Lane and seconded by Rhonda Pownell to adjourn the open session meeting. A roll call vote was made and a unanimous motions was made to adjourn the closed session. Motion carried.**

**Follow-up/Resolution: Closed.**