

# Meeting Minutes Record

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

**Date:** March 23, 2023

**Location:** Virtual Meeting

**Start Time:** 5:04 pm

**End Time:** 7:28 pm

**Board Members Present:** Sarah Carlsen- Board Chair, Michael Hemesath- Vice-Chair, Rick Estenson, Katie Lane, Robert Morrison, Crystal Mulvihill, Rhonda Pownell, Jami Reister

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

**Others Present:** Ben Martig- City Administrator, Teresa Knoedler- Legal Counsel, Jake Reilly- Community Development Director, David Emery

**Board Members Absent:** Fred Rogers

**Staff Absent:** Jeff Meland- CMO

**Others Absent:**

## Call to Order and Approval of the Agenda

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

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 (February 23, 2023)
- Meeting minutes (accepted)
  - Community Relations Committee (February 21, 2023)
- Policies
  - CEO Evaluation Policy

**Action: A roll call vote was held, and a unanimous motion was made to approve the 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 Steve Underdahl due to patient care needs of Dr. Flannery. Dr. Flannery joined the board meeting after roll call vote.

#### **Appointments:**

- 4171: AH:I, Behavioral Health
- 4189: AH:I, Behavioral Health
- 4190: AH:I, Behavioral Health
- 3931: AH:I, Behavioral Health

#### **Reappointments:**

- 4070: AH:I, Behavioral Health
- 4064: AH:I, Behavioral Health
- 4065: AH:I, Behavioral Health
- 4073: AH:I, Behavioral Health
- 4068: AH:I, Behavioral Health

**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.**

### **Annual Summary of Conflict-of-Interest statements and purpose**

Teresa Knoedler, legal counsel, provided the annual summary and purpose of the conflict-of-interest statements and provided answers to board committee members.

She reviewed with the board the importance of board member completing the annual form, and the requirements as a public entity to disclose conflicts of interest during board discussions. A conflict of interest should be disclosed by board members any time they, or someone close to them, could benefit from or be perceived to benefit from, the board discussion/action. As a non-profit entity, we are bound by municipal regulations, as well as NH+C Bylaws and policies. She asked that each board member be mindful of their conflicts and if there are changes throughout the year to contact either herself or the Board Chair.

Board member, Rhonda Pownell inquired if there was a change to this policy recently. In question was language pertaining to section four (4) "Relationships with NH+C or City of Northfield".

Teresa Knoedler assured board members that there had not been any changes to this policy since 2019.

Discussion took place with board members.

**Action: Information only.**

**Follow-up/Resolution: After much discussion with this issue, this will be discussed at an upcoming City/Hospital Governance meeting. Learnings from this above discussion will be brought to the Hospital Governance and Planning committee, and further recommendations, if any, will then be brought to the board at an upcoming meeting.**

## **Alternative Urban Area Review (AUAR) and Annual City Orientation**

City administrator, Ben Martig provided the annual city orientation for both new and existing hospital board members. (Slides were available on the board portal).

### **Objectives:**

- Review of the City/Hospital Playbook and its purpose and structure. (The playbook can be referenced for board members in the board portal).
- Reviewed the City vision, mission and values.
- Shared the 2021-2024 city strategic plan and other projects of interest.
- Jake Reilly, community development director, provided a brief overview of the Alternative Urban Area Review (AUAR) and the next steps involved. The planning tool starts with a vision to improve communities and develop land responsibly. Jake also presented considerations used when selecting development scenarios. Two "build" scenarios being contemplated were communicated.

**Action: Information only.**

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

## Birth Bundle Presentation

Jerry Ehn, Chief Operating Officer, presented information on a potential partnership with the Minnesota BirthBundle Network and Wildflower Health, to provide a new, value-based model for maternal and newborn care. Wildflower Health is an innovative ten-year-old company with a successful record of assisting providers and payers to provide high quality, lower cost care.

The Wildflower platform helps address the underlying causes of poor outcomes and systemic challenges. The new digital platform is designed to integrate into our workflow, providing NHC with additional resources to improve the health of our patients.

If we elect to partner with Wildflower, together we will propose a solution to the payers aimed at improving outcomes and lowering costs. We would share in the recognized cost savings.

Currently working through the agreement and discussion the model with payers.

**Action: Information only.**

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

## Executive and Committee Reports

### CEO Report

Steve Underdahl, CEO, reported on the following:

#### Strategic Update:

- April's board retreat will include an emphasis on a deep assessment of our clinical, operational and financial structures.

#### Operations Update:

- Same trends from 2022 continue for the most part. Lower volumes, high expenses, workforce demand, and higher wage expectations continue to attribute to lower financial performance in 2023.
- Do the Next Right Thing recipients have been chosen and recognized from 2022. NH+C is proud of the compassionate work done here each day and is proud to showcase individuals for their outstanding care provided to our communities.
- Dr. Greg Erickson will join as a new orthopedic partner in May.
- NH+C births are up, year-to date at 133 babies thus far, compared to the previous 4 years.

#### Policy Update:

- Still closely watching three pieces of state legislation and attempting to influence the outcomes.
- Steve will be attending Capitol hill visits in April.

**Action: Information only.**

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

## **Financial Report**

In the absence of Scott Edin, CFO, Steve Underdahl, CEO presented the February financial report.

### **February Key Drivers:**

- Inpatient Admits were 10% more than Feb 2022.
- Emergency Dept visits were 10% less than Feb 2022.
- Surgery procedures were 16% more than Feb 2022.

### **Financial Outcomes:**

- Gross Operating Revenues were \$2.7M more than Feb 2022.
- Deductions were \$2.8M more than Feb 2022.
- Bad Debt was \$230K less than Feb 2022.
- Net Revenues were \$208K less than Feb 2022.
- Operating expenses were \$946K more than Feb 2022.
- Net operating loss was \$2.2M vs. \$808K loss in Feb 2022.

**Action: Information only.**

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

## **Quality Committee (verbal report)**

Sarah Carlsen gave a brief summary update of the quality committee meeting from March 16, 2023.

**Action: Information only.**

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

## **Roundtable, Announcements and Questions**

No discussion.

**Action: Information only.**

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

## Adjourn

The meeting was adjourned at 7:28 p.m.

**Action: A roll call vote was held, and a unanimous motion was made to adjourn the meeting.  
Motion carried.**

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