

Meeting Minutes Record

Meeting: Board of Directors – Hybrid: In-Person/Virtual Meeting

Date: August 24, 2023

Location: Virtual Meeting

Start Time: 5:07pm

End Time: 7:40pm

Board Members Present: Sarah Carlsen- Board Chair, Michael Hemesath- Vice-Chair, Rick Estenson, Katie Lane, Robert Morrison, Rhonda Pownell, 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: Ben Martig- City Administrator, Teresa Knoedler- Legal Counsel

Guests: Julie Nikolai Sullivan- Director of Marketing, David Emery

Board Members Absent: Crystal Mulvihill

Call to Order and Approval of the Agenda

The board meeting was called to order by Sarah Carlsen at 5:07 p.m.

Meetings will now take place in hybrid format. Board members that joined virtually were: None.

The locations of board members attending by electronic means were included in the public notice of the meeting. (No members attended virtually this month).

Sarah also announced that at the conclusion of the open session meeting, there will be a closed session pursuant of Minn. Stat. 144.581, subd.5 Marketing: To discuss marketing activity related to the hospitals competitive position with other health care providers that offer similar services.

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

- Meeting minutes (approve)
 - Board Meeting- (July 27, 2023)
- Meeting minutes (accepted)
 - Budget & Finance Committee (July 20, 2023)
 - Budget & Finance Committee (August 1, 2023)
 - Governance & Planning Committee (July 18, 2023)

Action: Motion was made by Robert Estenson and seconded by Fred Rogers to approve the agenda and consent agenda items as presented. As a result of no board members participating virtually, no roll call votes were necessary. 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.

Appointments:

- 4222 Active, Hospitalist
- 4227 Active, OBGYN
- 4228 Telemedicine, Teleradiology
- 4231 AH:D, PA-C Hospitalist
- 4232 Proxy Credentialing- Telemedicine, Allina Telestroke
- 4233 Proxy Credentialing- Telemedicine, Infectious Disease Connect
- 4234 Proxy Credentialing- Telemedicine, Infectious Disease Connect
- 4235 Proxy Credentialing- Telemedicine, Infectious Disease Connect
- 4237 Horizon Virtual- Active, eHospitalist
- 4238 Horizon Virtual- Affiliate, eHospitalist
- 4239 Horizon Virtual- Telemedicine, eHospitalist
- 4240 Horizon Virtual- Telemedicine, eHospitalist
- 4241 Horizon Virtual- Telemedicine, eHospitalist
- 4242 Horizon Virtual- Telemedicine, eHospitalist
- 4243 Horizon Virtual- Telemedicine, eHospitalist
- 4244 Horizon Virtual- Telemedicine, eHospitalist

Reappointments:

- 3470 Active, Family Medicine
- 3753 Active, Orthopedic Surgery
- 4001 Active, General Surgery
- 3789 Active, OBGYN
- 3785 Affiliate, Family Medicine
- 4090 AH:I, Behavioral Health

- 4093 AH:I, Behavioral Health
- 3833 AH:I, Behavioral Health

Action: A motion was made by Katie Lane and seconded by Jami Reister to approve the medical staff files as presented. Due to members of the board participating virtually, a roll call vote was also performed. Motion carried.

Follow-up/Resolution: Closed.

Presentations/Discussions/Action Items

Long Term Care Center Closure update

Tammy Hayes, CNE, provided an update on the closure of the long term care center that was announced publicly on August 7, 2023.

She spoke to the communication processes as regulated by Minnesota Statue 2022, Chapter 144 A1.161.

The timeline shared highlighted the work being done for the resident relocation meetings, meetings with residents and their family members, the career event held on August 14 for staff and the ongoing interdisciplinary team meetings with the State and County agencies as well as internal meetings.

As of this meeting, the resident census was down to twelve compared to 24 at the time of the announcement.

The long term care center will be closed on October 5, 2023.

NH+C Website Refresh update

Julie Nikolai-Sullivan, Director of Marketing, provided an update regarding the Northfield Hospital + Clinics website.

This new website refresh will make choosing NH+C more user-friendly, up to date with other healthcare websites and was built using the latest technology. It is now more mobile device friendly and has been made accessible for people with low or no vision as well.

Julie shared some easy wayfinding features and the changes were well received.

Action: Information only.

Follow-up/Resolution: Closed.

Executive and Committee Reports

CEO Report

Steve Underdahl, CEO, reported on the following:

Strategic Update:

- Primary focus is on financial re-engineering, but it can't be our only focus.
- Board closed session retreat is scheduled for November 3rd.

Operations Update:

- More of the same pressures, many of the same challenges and results.
- Mitigation efforts will start to impact the bottom line in late Q3 and Q4.

Policy Update:

- Big payors appear to be faring the best and may also be consolidating their market influence. This unbalance would seem to be unsustainable long term.
- Recently reviewed slight changes to the Hospital/City playbook regarding the board appointment calendar. These changes will be shared at the September board meeting.

Action: Information onlu.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the June financial report.

July Key Drivers:

- Inpatient Admits were 13% over forecast.
- Emergency Dept visits were 6% under forecast.
- Surgery procedures were 24% over forecast.

Financial Outcomes:

- Gross Operating Revenues were \$1.0M under forecast.
- Deductions were \$1.0M under forecast.
- Bad Debt was \$17K over forecast.
- Net Revenues were \$43K under forecast.
- Operating expenses were \$33K under forecast.
- Net operating loss was \$681K vs. a forecast loss of \$649K.

Action: Information only.

Follow-up/Resolution: Closed.

Community Relations Committee Report

Robert Morrison provided a brief update from the recent Community Relations Committee meeting.

- The group focused this meetings efforts on the reviewing the social determinants of health surveys and assessing community partnerships and reviewing those partnerships that may also align with the populations served in our communities.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

No items shared.

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 6:50 pm the Board went into Closed Session pursuant to of Minn. Stat. 144.581, subd.5 Marketing: To discuss marketing activity related to the hospitals competitive position with other health care providers that offer similar services.

Action: A motion was made by Katie Lane and Rick Estenson to move into Closed Session. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 7:40 p.m.

Action: A motion was made by Katie Lane and seconded by Fred Rogers to adjourn the open meeting session. Motion carried.

Follow-up/Resolution: Closed.