

Meeting Minutes Record

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

Date: July 27, 2023

Location: Virtual Meeting

Start Time: 5:04pm

End Time: 8:19pm

Board Members Present: Sarah Carlsen- Board Chair, Michael Hemesath- Vice-Chair, Rick Estenson, Katie Lane, Robert Morrison, Crystal Mulvihill, 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: Mikayla Schmidt, City Planner, Anne Larson, Lisa Bauer, NH+C Director of Inpatient Services

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: Michael Hemesath.

Fred Rogers joined virtually. He was informed that pursuant of Minn. Stat. in place for hybrid meetings, his participation virtually was not previously publicly noted and that in order to participate he would need to partake in person. He later joined the meeting in person.

The locations of board members attending by electronic means were included in the public notice of the meeting.

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- (June 6, 2023)

- Meeting minutes (accepted)
 - Quality Committee (June 6, 2023)
 - Budget & Finance Committee (June 14, 2023)
 - Budget & Finance Committee (May 23, 2023)

Action: Motion was made by Rick Estenson and seconded by Robert Morrison to approve the agenda and consent agenda items as presented. Due to members of the board participating virtually, a roll call vote was also performed. 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:

- 4213 AH:I, Behavioral Health
- 4214 AH:I, Behavioral Health
- 4215 AH:I, Behavioral Health
- 4216 AH:I, Behavioral Health
- 4217 AH:I, Behavioral Health
- 4218 AH:I, Behavioral Health
- 4219 AH:I, Behavioral Health
- 4220 AH:I, Behavioral Health
- 4221 Active, Emergency Medicine
- 4223 Telemedicine, Teleradiology
- 4224 Telemedicine, Teleradiology

Reappointments:

- 3998 AH:I, Radiation Oncology
- 7163 Active, Gastroenterology
- 4000 Affiliation, Radiation Oncology
- 3988 Telemedicine, Teleradiology
- 3990 Telemedicine, Teleradiology
- 3986 Telemedicine, Teleradiology

- 4004 Active, Medical Oncology
- 3992 AH:I, Neonatology
- 3454 Telemedicine, Teleradiology
- 3749 Active, FM with OB

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

Alternative Urban Area Review (AUAR) update

In the absence of Jake Reilly, Community Development Director, Mikayla Schmidt, City Planner presented information on the Northwest Development Area Draft Alternative Urban Area-wide Review (AUAR).

The AUAR is as tool used to provide incremental step by step plans for development and planning of the Northwest area land. Scenarios and processes were reviewed and discussed among board members.

Increasing Nurse Satisfaction

Lisa Bauer, Director of Inpatient Services presented results of her current DNP project performed by Lisa and the Unit-Based Council (UBC) that explored aspects that impact nurse job satisfaction as a result of identifying current trends reflecting a 75% acute care RN turnover at NH+C from 1/1/17 to 12/31/21.

The council and staff together worked on the following topics: How to get more birthing beds so the Birth Center can divert less, how to increase staff engagement in the culture of safety, how to improve stillborn workflows and how to better teach resilience to new staff.

There was great collaboration, shared-decision making, engagement, respectful conversation and trust was in fact developed through this process.

The study found that involving the frontline nurses in helping to make these critical decisions did in fact increase both nurse job satisfaction as well as positive patient care satisfaction.

Many great changes were implemented, and the group will continue with these efforts to ensure staff satisfaction.

Action: Information only.

Follow-up/Resolution: Closed.

Executive and Committee Reports

CEO Report

Steve Underdahl, CEO, reported on the following:

Strategic Update:

- Significant progress being made on service line analysis and the contract performance reviews.
- The EHR (digital services) onsite meeting to assess outstanding concerns went well and continues to make good progress.
- The NH+C website has completed its “face-lift”. It is now more user friendly and aesthetic.
- NH+C will be offering mental health care in our Faribault location, after negotiating an agreement with a mental health provider, starting in 2024.
- With the recent addition of a psychiatric medication consultation resource, NH+C is working towards improving the utilization of this service.

Operations Update:

- June was mostly busy with higher hospital volumes and lower clinic visits.
- Expenses continue to outpace revenues.
- The combination of busy and financial stress is hard on the team and reinforces the need to make material changes to the shape of the organization.
- Audit process is complete.
- Discussion continues with Community Resource Bank regarding loan terms.

Policy Update:

- Ongoing stressors in healthcare have caused many institutions to re-assess the work they do and services they provide.
- Allina Health responded recently to the financial crisis by announcing the lay off of over 350 workers.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO presented the June financial report.

June Key Drivers:

- Inpatient Admits were 21% over forecast.
- Emergency Dept visits were 4% over forecast.
- Surgery procedures were 7% under forecast.

Financial Outcomes:

- Gross Operating Revenues were \$269K under forecast.
- Deductions were \$1.1M under forecast.
- Bad Debt was \$51K over forecast.
- Net Revenues were \$806K over forecast.
- Operating expenses were \$660K over forecast.
- Net operating loss was \$645K vs. a forecast loss of \$764K.

Action: Information only.

Follow-up/Resolution: Closed.

Verbal Budget & Finance Committee report

Fred Rogers provided a brief update from the recent Budget & Finance Committee meeting.

- Finance portfolio updates were provided to the committee. The group has asked for further recommendations to be presented at the next meeting.

Action: Information only.

Follow-up/Resolution: Closed.

Verbal Governance & Planning Committee report

Sarah Carlsen provided a brief update from the recent Governance & Planning Committee meeting.

- The committee reviewed updated CEO deliverables document and is still reviewing the CEO Evaluation policy and will bring it back to the next meeting for this group.

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 6:36 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 Robert Morrison and Katie Lane to move into Closed Session. Due to members of the board participating virtually, a roll call vote was also performed. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 8:59 p.m.

Action: A motion was made by Robert Morrison and seconded by Rick Estenson to adjourn the open meeting session. Roll call vote was not necessary as no members were attending virtually at this point. Motion carried.

Follow-up/Resolution: Closed.