

Meeting Minutes Record

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

Date: October 26, 2023

Location: Virtual Meeting

Start Time: 5:08pm

End Time: 7:33pm

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

Staff Present: Steve Underdahl- CEO, Jerry Ehn- COO, Jeff Meland- CMO, Monty Seper, Ben Flannery- MD, Eric Guth- Interim CFO, Tammy Hayes- CNE, Relations, Kelly Velander (Recorder)

Others Present: Teresa Knoedler- Legal Counsel

Board Members Absent: Crystal Mulvihill, Fred Rogers

Staff Absent: Betsy Spethman- Director of Community, Vern Lougheed- ITS

Others Absent: Ben Martig- City Administrator

Call to Order and Approval of the Agenda

The board meeting was called to order by board chair Sarah Carlsen at 5:08 p.m.

Meetings will now take place in hybrid format. Board members that joined virtually were Michael Hemesath.

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

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

- Meeting minutes (approve)
 - Board Meeting- (September 28, 2023)
- Meeting minutes (accepted)
 - Quality Committee (September 19, 2023)

Action: Motion was made by Robert Estenson and seconded by Katie Lane to approve the agenda and consent agenda items as presented. Michael Hemesath had not yet joined virtually; a roll call was not performed. Motion carried.

Follow-up/Resolution: Closed.

Reports

Hospital Chief of Staff Report

No updates provided.

Action: Information only.

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:

- 4265 Active, Family Medicine with OB 12/1
- 4275 Locum Tenens, OBGYN
- 4266 Affiliate, Cardiology 12/1 On Site
- 4267 Affiliate, Cardiology -NUC
- 4268 Affiliate, Cardiology- NUC
- 4269 Affiliate, Cardiology-NUC
- 4270 Affiliate, Cardiology- NUC
- 4271 Affiliate, Cardiology- NUC
- 4272 AH:I, Behavioral Health
- 4273 AH:I, Behavioral Health
- 4274 AH:I, Behavioral Health

Reappointments:

- 4119 AH:I, Behavioral Health
- 4118 Telemedicine, Teleradiology
- 4009 Affiliate, Pathology
- 3999 Affiliate, Pathology
- 4014 Telemedicine, Telepathology
- 4120 AH:I, Behavioral Health
- 4011 Telemedicine, Telepathology
- 4012 Telemedicine, Telepathology
- 4010 Affiliate, Pathology
- 4007 AH:D, Physician Assistant
- 4013 Telemedicine, Telepathology
- 3660 Active, Family Medicine with OB

- 4016 Affiliate, Pathology
- 3715 Affiliate, Cardiology

Action: A motion was made by Katie Lane and seconded by Crystal Mulvihill to approve the medical staff files as presented. Motion carried.

Follow-up/Resolution: Closed.

Presentations/Discussions/Action Items

NH+C Foundation update and bylaws changes

Steve Underdahl provided a level set of the history on the NH+C Foundation.

Julie Nikolai Sullivan provided an annual update on the NH+C Foundation, its current state and proposed bylaw changes.

The NH+C Foundation supports the efforts of the hospital by caring for the sick, nurturing wellness and by improving the health of our communities to ensure the Northfield hospital continues to thrive and is our local healthcare anchor.

The Foundation helps the hospital to exceed the normal boundaries of care for those touched by emergencies, illness, childbirth and end of life.

Year to date financials show \$53, 0025 of contributed financial support. Donations are encouraged, no matter of size, to help make a difference to our staff and patients and their families in time of need. Julie spoke of the opportunity to hold a charity giving event to help fund the efforts that the NH+C Foundation hopes to be able to continue to provide to those we care for.

The Foundation website is located on the Northfield Hospital webpage and offers many ways to donate.

Teresa Knoedler, legal counsel, explained the proposed language changes to the Foundation bylaws.

Proposed changes would provide more straightforward language and process, clarity to director and officer roles and permit foundation to independently operate day-to-day while preserving NHC board connectivity.

Questions ensued to better understand the direct connection or responsibility of the NH+C Board to this Foundation. In question was the proposed change to remove the Board of Directors as required governance providing approval of the Foundation bylaws.

Action: A roll call vote was performed. All were in agreement. Motion carried.

Follow-up/Resolution: Closed.

Executive and Committee Reports

CEO Report

Steve Underdahl, CEO, reported on the following:

Strategic Update:

- Financial mitigation efforts continue to be the primary focus.
- The Lonsdale clinic closure/consolidation is making good progress.
- SDOH assessments are being performed for all clinic patients and hospital admissions on our Med Surg and Birthing Unit.
- DEI work team continues to mature its work. Recent activities include language skills assessment program that is designed to ensure language competency for our providers.

Operations Update:

- The impact of our mitigation efforts continue to be recognized. Most financial impacts should be reflected in Q4.
- There is a group assessing the possibilities of repurposing the long term care space.
- Seeing an increase in mental health and substance abuse demands in our emergency department.
- New counseling resources are now available in the Faribault clinic location. These services are provided by Cashman Counseling.
- The new Telemedicine hospitalist service has been a great asset to our patients and provider team.
- Remote infectious disease consult services are going extremely well.

Policy Update:

- New Minnesota law requirement that requires employers to pay time off due to illness or domestic safety issues (E.S.S.T) will need to be in effect January 1st, 2024. Financial impact is not known at this time. Process and policy changes are being reviewed.
- Steve met with a community group recently that is exploring the impact of Minnesota Care expansions. Very productive dialogue.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the (month) financial report.

September Key Drivers:

- Inpatient Admits were equal to forecast.
- Emergency Dept visits were 7% over forecast.
- Surgery procedures were 16% under forecast.

Financial Outcomes:

- Gross Operating Revenues were \$122K under forecast.
- Deductions were \$671K over forecast.
- Bad Debt was \$145K under forecast.
- Net Revenues were \$525K under forecast.
- Operating expenses were \$300K over forecast.
- Net operating loss was \$1.5M vs. a forecast loss of \$644K.

Action: Information only.

Follow-up/Resolution: Closed.

Governance & Planning Committee report

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

- Working on an updated strategic and tactical priorities document with Steve Underdahl, CEO.

Action: Information only.

Follow-up/Resolution: Closed.

Budget & Finance Committee report

In the absence of Fred Rogers, Rick Estenson provided a brief update from the recent Budget & Finance Committee meeting.

- Discussions continue with NH+C portfolio financial advisors.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

- No items shared.
- A tour of the vacated LTCC center was provided to the members of the board by Tammy Hayes, CNE.
- Kelly asked if the December 28th board meeting date worked for most. The group agreed to keep the date of the December board meeting.

Action: Information only.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 7:33 p.m.

Action: A motion was made by Katie Lane and seconded by Robert Morrison to adjourn the open meeting session. A roll call vote was performed. Motion carried.

Follow-up/Resolution: Closed.