

Meeting Minutes Record

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

Date: November 30, 2023

Location: Virtual Meeting

Start Time: 5:07 PM

End Time: 7:43 PM

Board Members Present: Sarah Carlsen- Board 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 Velander (Recorder)

Others Present: Teresa Knoedler- Legal Counsel

Guests:

Board Members Absent: Michael Hemesath- Vice-Chair

Staff Absent: 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 5:07 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.

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
- Board Meeting (October 26, 2023)

- Meeting minutes (accepted)
 - Budget & Finance Committee (October 19, 2023)
 - Governance & Planning Committee (October 10, 2023)
 - Patient Rights Vulnerable Adults Policy

Action: Motion was made by Robert Morrison and seconded by Katie Lane to approve the agenda and consent agenda making one minor edit to first action item “Robert Estenson” incorrectly named. With no board members participating virtually, a roll call was not performed. Motion carried.

Follow-up/Resolution: Closed.

Reports

Hospital Chief of Staff Report

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:

4276 Telemedicine Teleradiology CRL
 4277 Telemedicine Teleradiology RAYUS
 4278 Telemedicine eHospitalist- Horizon
 4279 Telemedicine eHospitalist- Horizon
 4280 Proxy IDC
 4281 Proxy IDC
 4282 Proxy Tele Neuro- Allina

Reappointments:

4021 Active Emergency Medicine
 4024 Telemedicine Teleradiology
 4023 Telemedicine Teleradiology
 3808 Active Family Medicine
 7127 Active Family Medicine
 7334 AH:I Anesthesia
 3761 Active Emergency Medicine
 3759 Affiliate Pathology

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

Follow-up/Resolution: Closed.

Presentations/Discussions/Action Items

Lonsdale Clinic update

With the closing and shifting of services previously provided at the Lonsdale Clinic, Jerry Ehn, COO provided a brief update.

- Last day of clinic services was November 17, 2023.
- Primary Care went to Lakeville Clinic.
- Women's Health went to Northfield Clinic.
- Addiction Medicine went to Northfield Clinic.
- Equipment and supplies were either redistributed to other sites or returned to central supply. The remainders will be sold. Imaging equipment has been sold.
- The building has been appraised and has shown some interest by four parties. Offers will be evaluated and at the December board meeting, a recommendation will be presented for review and approval. Once the board acts on this matter, it will be presented to the city council for approval.

Action: Information only.

Follow-up/Resolution: Closed.

Executive and Committee Reports

CEO Report

Steve Underdahl, CEO, reported on the following:

Strategic Update:

- Process and framework for evaluation of options for the long term space continues. The possibility of more than one solution due to the physical space and layout is being considered.
- The Lonsdale clinic transitions are going well and there is interest in the building.
- Work continues to refine and grow strategic relationships.
- Digital service plan strategy and tactics update will be shared at the December board meeting.
- Evaluation process continues by the clinical and administrative team with regards to the hospital scope of practice of care. An update will be shared with the board in December.

Operations Update:

- Payor mix concerns continue. Most revenue ever, but net revenue is not able to keep up.
- Busy hospital and clinics with record volumes this week. Have experienced issues with transferring patients as a result.

Policy Update:

- Steve Underdahl, CEO has agreed to do a video segment for the MHA to continue to tell the story of what is driving the financial pressures for healthcare providers.
- Steve Underdahl, CEO presented to the Chamber of Commerce leadership program recently.

Action: Information only.

Follow-up/Resolution: Closed.

Financial Report

Eric Guth, CFO, presented the August financial report.

October Key Drivers:

- Inpatient Admits were equal to forecast.
- Emergency Dept visits were 9% over forecast.
- Surgery procedures were 4% under forecast.

Financial Outcomes:

- Gross Operating Revenues were \$2.2M over forecast.
- Deductions were \$2.4M over forecast.
- Bad Debt was \$11K under forecast.
- Net Revenues were \$205K under forecast.
- Operating expenses were \$637K over forecast.
- Net operating loss was \$483K vs. a forecast gain of \$359K.

Action: Information only.

Follow-up/Resolution: Closed.

Community Relations Committee Report

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

- Main focus was surrounding community funding requests for 2024.

Action: Information only.

Follow-up/Resolution: Closed.

Recognition of Reappointed Board Members

Sarah Carlsen, Board Chair, reported that the below board members were selected by the city for NH+C board reappointment.

- Michael Hemesath reappointed for a three-year term ending December 31, 2026.
- Robert Morrison reappointed for a three-year term ending December 31, 2026.
- Fred Rogers reappointed for a three-year term ending December 31, 2026.

Action: Information only.

Follow-up/Resolution: Closed.

Roundtable, Announcements and Questions

2024 board calendar was 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 6:51 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 Fred Rogers and Robert Morrison to move into Closed Session. Motion carried.

Follow-up/Resolution: Closed.

Adjourn

The meeting was adjourned at 7:43 p.m.

Action: A motion was made by Robert Morrison and seconded by Jamie Reister to adjourn the open meeting session. Motion carried.

Follow-up/Resolution: Closed.