





2024: A Year of Transition

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As NH+C's new CEO, it brings valuable perspective to reflect on NH+C's 2024 performance, and its strong legacy of stewardship and service to the community.

NH+C's team of experienced and emerging leaders are continuing the momentum that has made NH+C a community fixture and regional destination for 120 years.

Some 2024 highlights:

- **648 births** (including 3 sets of twins)
- **Cancer Care** accreditation from the American College of Surgeons
- **14,102 Emergency Department** visits
- Record volumes for **Rehabilitation Services**

The year brought challenges too, including the Change Healthcare cyberattack that affected billing, payment, and insurance verification processes for hospitals and clinics across the U.S. (including NH+C). A national shortage of IV fluids was caused by hurricane damage to the production plant that was producing over 60% of IV solutions used by U.S. hospitals. And financial pressures continue to challenge hospitals' stability. Our team will continue to rise to each challenge, to provide the best care possible to our communities.

The caliber of talent in NH+C's clinical and leadership teams is impressive. Our team members are professional, welcoming, and knowledgeable. NH+C's talented team continues to provide excellent care to our communities.

We're proud to be an independent organization that advocates for patient choice and the best care for the individual. Through relationships with regional organizations such as Mayo Clinic, Hennepin Healthcare and Allina's Minneapolis Heart Institute, we provide access to those systems when patients need it, while providing great care close to home.

A thriving hospital and excellent healthcare are important to our communities. Our commitment to sustaining community-centered, locally-owned healthcare is the cornerstone of NH+C.

That principle carries us forward.

— **Zander Abbott, MBA, FACHE**
President & CEO
Northfield Hospital + Clinics

2024 FINANCIAL HIGHLIGHTS

The organization continued see volume growth in almost all areas and departments. Many of these volumes have surpassed pre-pandemic levels as we continue to experience record levels in most areas.

With the increase in patient volumes and total revenue, NH+C saw increased pressure from insurance companies and realized less than 1% increase in net patient revenue. We cut back on unprofitable services in 2023 and as a part of rebasing efforts were able to decrease our expense profile by \$5 million. Inflationary pressures have eased but are still impactful in many categories including wages, supplies, and drugs. These factors contributed to improvement from 2023 to 2024 but still resulted in a negative operating margin for 2024. The healthcare industry will continue to face headwinds in 2025 and beyond, from federal and state policy, inflationary and expense pressures, and changes in the insurance landscape.

Northfield Hospital + Clinics

Patient Trends

	2019	2020	2021	2022	2023	2024
Outpatient Visits	51,924	40,553	70,122	63,494	78,366	81,624
Inpatient Admissions						
Hospital	2,187	1,909	2,105	1,967	2,168	2,252
Long Term Care Center	120	35	48	39	15	-
Births	505	491	594	541	594	648
Surgeries	2,921	2,360	2,667	2,773	2,935	2,653
Medical Imaging Procedures	30,717	27,824	33,240	35,127	37,316	38,688
Emergency Department Visits	11,793	10,471	12,577	13,561	13,675	14,205
Ambulance Transports	3,867	3,661	4,249	3,938	4,175	4,150
Clinic Visits	95,179	82,810	102,133	100,428	104,189	106,512

Revenues

	2022	2023	2024
Total Patient Revenue	\$ 297,023,362	\$ 339,244,179	\$ 359,240,350
Deductions from Revenue	(178,483,159)	(210,218,305)	(230,237,010)
Net Patient Revenue	118,540,203	129,025,874	129,003,340
Other Revenue	1,163,463	901,771	2,002,473
Total Net Revenue	\$ 119,703,666	\$ 129,927,645	\$ 131,005,813

Expenses

	2022	2023	2024
Employees Salaries and Benefits	\$ 77,341,963	\$ 83,883,571	\$ 77,752,227
Food, Drugs and Supplies	19,822,781	21,144,013	22,005,018
Purchased Services	18,167,559	20,152,020	17,844,154
Financing Costs	793,347	1,096,570	969,827
Depreciation and Amortization	6,103,555	5,873,281	5,534,454
Other	6,552,402	9,199,068	11,984,169
Total Net Expenses	\$ 128,781,607	\$ 141,348,523	\$ 136,089,849



Northfield Hospital + Clinics

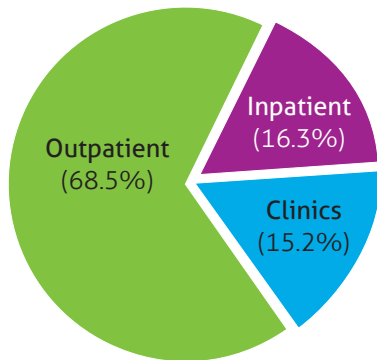
Income

	2022	2023	2024
Income/Loss from Operations	\$ (9,077,941)	\$ (11,420,878)	\$ (5,084,036)
Additional (expenses)/income related to future PERA obligations*	(3,603,747)	(1,610,497)	1,617,829
Net Operating Income (Loss)	\$ (12,681,688)	\$ (13,031,375)	\$ (3,466,207)
Net Operating Margin	-10.6%	-10.0%	-2.6%

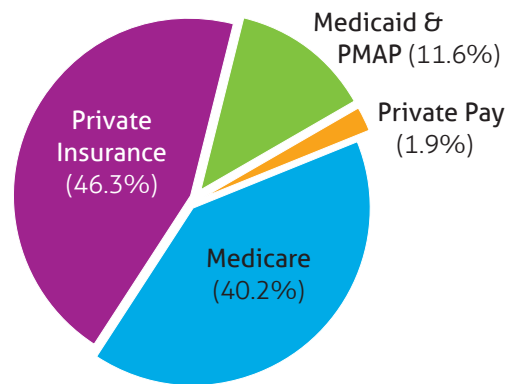
*Current year allocated expense as required by GASB 68

Service Activity in Dollars

(Gross Revenues)



Sources of Gross Revenues



Community Benefit Summary

Reported to the Minnesota Hospital Association for its annual publication: *Minnesota Hospitals: Serving and Strengthening Our Communities*

	2022	2023	2024
Financial assistance (charity care)	\$ 167,087	\$ 590,421	\$ 764,058
Costs in excess of Medicaid payments	6,121,064	6,766,228	6,371,434
Costs of other means-tested government programs	1,193,229	1,382,559	1,582,361
Community health improvement services and community benefits operations costs	415,874	551,583	547,295
Subsidized health services	2,986,341	2,610,303	154,738
Cash and in-kind contributions for community benefit	200,587	70,000	75,000
Total Cost of Community Benefits	\$ 11,084,182	\$ 11,971,094	\$ 9,494,886
Percentage of total operating budget	8.4%	8.4%	7.1%

Other Community Contributions

Community-building activities	\$ 493,109	\$ 534,890	\$ 569,065
Other care provided without compensation (bad debt)	2,991,799	3,292,833	4,339,032
Costs in excess of Medicare payments	23,293,851	26,159,642	24,162,347
Discounts offered to uninsured patients	1,554,982	2,348,372	145,591
Taxes and fees	357,754	337,599	308,044
Total Value of Community Contributions	\$ 39,775,677	\$ 44,644,430	\$ 39,018,965



Northfield Hospital + Clinics

Economic Impact

	2022	2023	2024
Wages and Benefits Paid	\$77.34 million	\$82.43 million	\$77.75 million
Goods and Services Purchased	\$43.70 million	\$46.75 million	\$44.94 million
Number of Employees	824	851	857

Essential Services

Northfield Hospital + Clinics provides a wide range of additional services that meet emergency needs in the communities we serve.

- + Ambulance Service
- + Emergency Department
- + Urgent Care (Lakeville and Northfield)
- + 24-hour access to Diagnostic Imaging and Laboratory services
- + 24-hour access to General Surgeons
- + Birth Center

Support for Community Programs

NH+C is committed to being a strong community partner. We invest in organizations and programs that extend our mission of care, and serve the health and wellness of our communities. NH+C made financial contributions totaling \$232,764 in 2024.

SUPPORTED ORGANIZATIONS: All Seasons Community Services food shelf (Kenyon), Community Action Center (Northfield and Faribault), Healthy Community Initiative (HCI), HealthFinders, HOPE Center, Infants Remembered in Silence, Laura Baker Services Association, Lonsdale Area Food Shelf, Meals-On-Wheels, Northfield Area Family YMCA, Northfield Area Fire & Rescue Squad, Northfield Promise, Northfield School District, Northfield Union of Youth, Ruth's House, and 360 Communities food shelves (Lakeville and Farmington).

NH+C welcomes new providers

Lisa Bauer promoted to VP-Chief Nurse Executive



Lisa Bauer, DNP, MBA, RN, CNML, CLC was promoted to VP-Chief Nurse Executive/Hospital Administrator in June 2024. She succeeded Tammy Hayes, RN, MS, CENP, LNHA in the role as Chief Nurse Executive as Tammy

stepped into the role of Chief Operating Officer.

Lisa had been Director of Inpatient Services at NH+C since April 2022, overseeing the Medical/Surgical department, Critical Care Unit, Birth Center, Lactation services and Dietitian Nutritionist services.

"During Lisa's time here as a director, she has focused on ensuring a safe quality of care for the patients she is responsible for, as well as improving the environment for staff," said Tammy Hayes. "She will be a great addition to the Senior Administrative team."

Lisa joined NH+C in 2017 as Director of the Birth Center. Lisa completed her Doctor of Nursing Practice degree in Nursing Leadership in August of 2023, and completed the American Hospital Association Next Generation Leaders Fellowship in 2024.

Sherri Meyer, MSN RN was promoted to Director of Inpatient Services, overseeing the Birth Center, Med/Surg/CCU and Dietitian Nutritionist services. Sherri had been the Manager of the Birth Center before beginning her new role in July 2024. She succeeded Lisa Bauer, DNP, MBA, RN, CNML, CLC who became Chief Nursing Executive.

"Sherri's many years of nursing and leadership experience help her transition well into her new leadership role," Lisa said. "Sherri works hard to keep the patient at the center of the work, which is very important for excellent patient outcomes."

Michelle Bailey, BSN, RN was named Birth Center Manager, succeeding Sherri Meyer. Michelle had been part of the Birth Center leadership team as a Clinical Coordinator for two years. She has been an RN for 15 years, and 13 of those years have been with Northfield Hospital.

"Michelle's commitment to Northfield Hospital + Clinics and this community is demonstrated every day with the work she does," Sherri said. "Michelle has worked on statewide quality collaboratives to ensure our patients receive the most up-to-date care."

Toni Westphal, CNM, APRN joined the midwives' team in July, delivering babies in the Birth Center and seeing patients in the Women's Health Center plus Lakeville and Faribault clinics. Special interests include young, single parents and Black, Latina, and indigenous families.



New providers at NH+C



Muna Alhusban, MD joined the hospitalist team in August. Dr. Alhusban completed medical School at the University of Jordan in Amman, Jordan and had her residency at the University of Central Florida in Orlando, in the Internal Medicine program. Special interests include cardiovascular disease, liver disease and preventative medicine.



Erin Rudolph, PA-C, MBA joined the pediatrics team in September, seeing patients in the Northfield Clinic. Special interests include newborn care, adolescent medicine, and preventative care/well child exams.



Geoff Wood, DO joined the pediatrics team in December, seeing patients in Northfield and Lakeville. Special Interests include newborn care, preventative care and child development.



Nicole Martens, MAN, CNP, IBCLC joined the Birth Center as lactation consultant in June.

Rehab Services added two physical therapists: **Jen Bloemendal, DPT** in April, and **Nancy Johnson-Rauen, PT, DPT** in May.

New partnerships and services



NH+C partnered with **Tareen Dermatology** in June 2024, bringing dermatology services back to our Farmington Clinic with two providers:

Dr. Scott Tuttle is a board-certified dermatologist who specializes in medical and surgical dermatology. His medical degree is from University of Pennsylvania School of Medicine; he served as Chief Resident during his dermatology residency at Mayo Clinic.



Hannah Petterson, PA-C is a board-certified physician assistant specializing in medical and surgical dermatology. She holds a Master of Physician Assistant Studies from St. Catherine University.

Tareen Dermatology has 22 board-certified providers and six locations specializing in medical, surgical, and cosmetic dermatology.

Podiatry services began in September 2024 through a new partnership with Advanced Foot and Ankle. Three board-certified providers see patients in the Northfield and Lakeville clinics, with surgeries at Northfield Hospital. Services range from conservative care to advanced surgical treatments.

In July, Rehabilitation Services added **Pediatric Rehab Bowel and Bladder Dysfunction** care for kids over age 4, in Rehab Services' Northfield clinic.

In August, NH+C partnered with University of Minnesota for **Maternal Fetal Medicine**. UofM providers see patients in the Women's Health Center on the hospital campus.

NH+C earns prestigious Cancer Care accreditation



NH+C's Cancer Care team earned top marks in 2024 from the Commission on Cancer, the rigorous accreditation process that distinguishes elite cancer care in the U.S.

This is formal recognition for the excellent cancer care we provide, from our Cancer Care & Infusion Center and Breast Care Center to our surgeons, imaging staff (plus lab, pathology, pharmacy, rehab therapists, dietitians, social workers) and Mayo Clinic partners for oncology and radiation oncology.

Commission on Cancer is led by the American College of Surgeons. It's gratifying to know that NH+C is bringing their high standard of care to our patients.

The multi-year process was led by CCIC Director **Jodi Wieczorek, APRN, AGCNS-BC, ACHPN, OCN** with a large team of dedicated staff and providers across the organization.



Stories of appreciation from patients across NH+C

Ortho, Surgical Services, Med/Surg

"There were many who helped as I recovered from hip surgery. They were kind and positive throughout the recovery process and I'm very grateful for all that they did.

"Healthcare workers are so important because **they meet people when they can't help themselves**, and are so good at providing compassionate care in those moments. I was not familiar with all of the steps that are involved in surgery and recovery. The team at Northfield Hospital guided me through from start to finish. I am grateful."

Urgent Care Lakeville

"Hands down, the best providers I have ever had are here. **Every single time I come in, I have such a great experience.** This place is amazing, from checking in, to rooming, to seeing the providers."

Hospital and clinics

"The nurses we talk to before seeing doctors are all so kind and competent. The doctors are excellent and personable. **Everyone projects the kind of calm and competence that makes you feel very confident in the work this hospital and clinic does.**"

Wound Healing

"I transitioned my wound care from Florida. The transition was seamless! The entire wound care center team was very helpful with my wound healing. They were **professional, courteous, knowledgeable and timely.** I really appreciate working with the many professionals that helped with my treatment."

Birth Center

"To the incredible OB and OR staff, thank you for your dedication, compassionate care, and expertise throughout my pregnancy and delivery. **Your kindness and support made a truly special moment even more meaningful.** We are deeply grateful for each and every one of you.

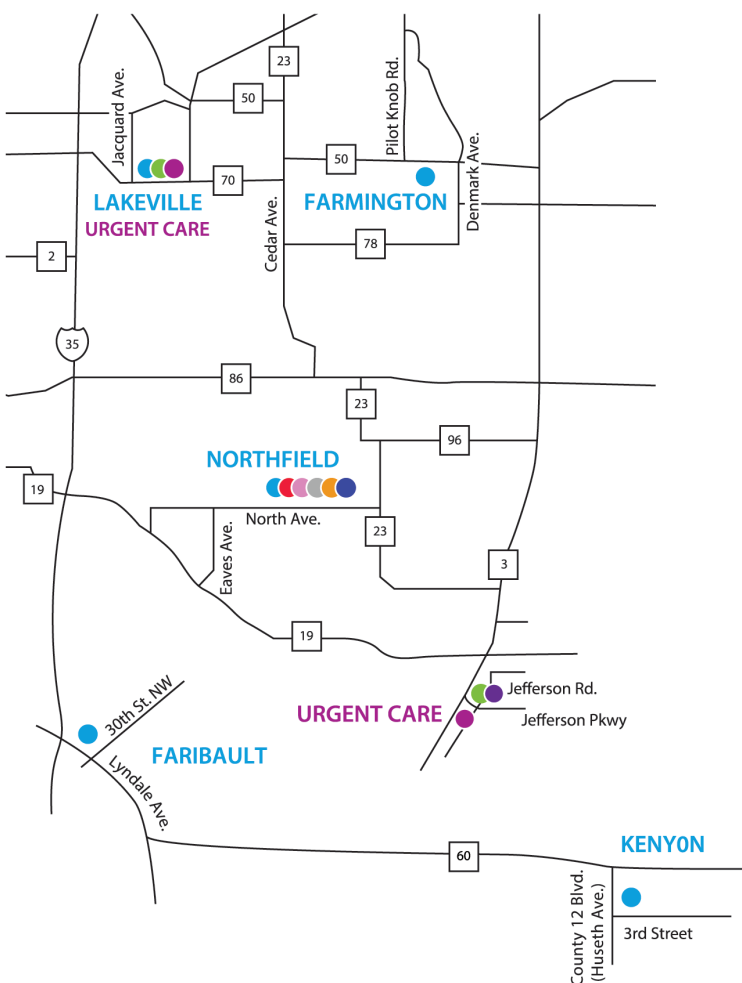
ED and Same Day Surgery

"To the staff, anesthesiologists, nurses, doctors: **Thank you for being my hero when there was no one by my side.**"



Northfield Hospital + Clinics

2000 North Avenue, Northfield MN 55057



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|---|---|
| ● Clinics | ● Cancer Care + Infusion Center |
| ● Urgent Care | ● Breast Care Center |
| ● Rehabilitation Clinics | ● Hospital + Emergency Dept. |
| ● Women's Health Center | ● Wound Healing Center |
| ● Orthopedic Clinic | |

OUR SERVICES

Northfield Hospital

- + Birth Center
- + Breast Care Center
- + Cancer Care + Infusion Center
- + Emergency Department
- + Endoscopy
- + Sleep Center
- + Surgery Center
- + Wound Healing Center

Clinics

- + Faribault Clinic
- + Farmington Clinic
- + Kenyon Clinic
- + Lakeville Clinic
- + Northfield Clinic
- + Orthopedic Clinic
- + Urgent Care
(Northfield and Lakeville)
- + Women's Health Center

Services

- + Emergency Medical Services
- + Rehabilitation Services
(Northfield and Lakeville)

northfieldhospital.org