Care for the sick
Nurture wellness
Improve health of our communities
As I write, we are in the midst of a national pandemic. While this report is intended as a summary of 2019, it’s difficult to separate the current moment from the recent past.

2019 was a year of growth and recalibration. We continued to work to rebase expenses, striving to reduce costs and ensure that we can continue to thrive for future generations.

At the same time, we continued to grow our practices and expand our services to the communities we serve.

In 2019, we moved our Faribault orthopedics and ENT practice into a larger, more convenient clinic space and upgraded our equipment there.

We also began two significant construction projects on our Northfield campus. The expansion of the Birth Center adds capacity to deliver more babies, and extends the spectrum of care – from a dedicated operating room for cesarean sections to our first-ever waterbirth suite. The expansion of the Northfield Clinic improves access for primary care, enables patient-centered care, and poises the clinic for future growth.

At NH+C, we are committed to the health of the communities we serve. We have worked hard to position ourselves to be a valuable resource for generations to come.

Our greatest resource is the men and women who work at NH+C. We are amazingly fortunate to have a wonderful mix of talent and dedication. I offer my sincere thanks to these admirable colleagues. We will continue to move forward, together.

— Steve Underdahl
CEO and President
Northfield Hospital + Clinics
FINANCIAL HIGHLIGHTS

Northfield Hospital + Clinics saw a modest downturn in patient volumes across the organization in 2019. With more high-deductible coverage that makes patients responsible to pay the first costs of their care, it appears many are delaying care until absolutely necessary. This trend caused decreases in both inpatient and outpatient volumes. Admissions were down nearly 18% compared to 2018; most outpatient volumes were down approximately 2% compared to the prior year.

There was also a slight downward shift in governmental volumes, with Medicare and Medicaid coverage now making up over 50% of our gross revenue.

Our efforts to control expenses paid off: Expenses increased only 1.2% overall year over year while net revenue was slightly down by -0.8%, resulting in a narrow net margin of 0.2%. That enabled NH+C to reinvest in new technology and equipment to ensure quality patient care and long-term sustainability.

Service Activity in Dollars
(Gross Revenues)

- Outpatient (64.5%)
- Inpatient (19.7%)
- Clinics (13.6%)
- Long Term Care Center (2.2%)

Sources of Gross Revenues

- Private Insurance (49.4%)
- Medicare (36.6%)
- Medicaid & PMAP (11.2%)
- Private Pay (2.8%)
Northfield Hospital + Clinics
Community Benefit Summary

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

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial assistance (charity care)</strong></td>
<td>$153,515</td>
<td>$75,259</td>
</tr>
<tr>
<td><strong>Costs in excess of Medicaid payments</strong></td>
<td>4,725,892</td>
<td>4,871,757</td>
</tr>
<tr>
<td><strong>Costs of other means-tested government programs</strong></td>
<td>1,363,913</td>
<td>1,398,680</td>
</tr>
<tr>
<td><strong>Community health improvement services and community benefits operations costs</strong></td>
<td>536,962</td>
<td>520,014</td>
</tr>
<tr>
<td><strong>Subsidized health services</strong></td>
<td>2,849,496</td>
<td>2,358,413</td>
</tr>
<tr>
<td><strong>Cash and in-kind contributions for community benefit</strong></td>
<td>187,875</td>
<td>195,621</td>
</tr>
<tr>
<td><strong>Total Cost of Community Benefits</strong></td>
<td>$9,817,653</td>
<td>$9,419,744</td>
</tr>
<tr>
<td><strong>Percentage of total operating budget</strong></td>
<td>9.1%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

**Other Community Contributions**

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community-building activities</strong></td>
<td>$411,178</td>
<td>$410,378</td>
</tr>
<tr>
<td><strong>Other care provided without compensation (bad debt)</strong></td>
<td>2,335,223</td>
<td>1,662,875</td>
</tr>
<tr>
<td><strong>Costs in excess of Medicare payments</strong></td>
<td>17,286,809</td>
<td>15,007,137</td>
</tr>
<tr>
<td><strong>Discounts offered to uninsured patients</strong></td>
<td>1,544,678</td>
<td>1,651,983</td>
</tr>
<tr>
<td><strong>Taxes and fees</strong></td>
<td>344,424</td>
<td>341,051</td>
</tr>
<tr>
<td><strong>Total Value of Community Contributions</strong></td>
<td>$31,739,965</td>
<td>$28,493,167</td>
</tr>
</tbody>
</table>

**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)
- Express Care Clinic (Northfield)
- 24-hour access to Diagnostic Imaging and Laboratory services
- 24-hour access to General Surgeons
- Birth Center
- Home Care
- Hospice

**Economic Impact**

<table>
<thead>
<tr>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wages and Benefits Paid</strong></td>
<td>$61.57 million</td>
</tr>
<tr>
<td><strong>Goods and Services Purchased</strong></td>
<td>$36.34 million</td>
</tr>
<tr>
<td><strong>Number of Employees</strong></td>
<td>855</td>
</tr>
</tbody>
</table>

**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 and in-kind contributions totaling $203,250 in 2019.*

**SUPPORTED ORGANIZATIONS:** City of Northfield Parks & Recreation, Community Action Center, Fifty North (Northfield Senior Center), 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, Rice County United Way, Ruth’s House, and 360 Communities.
Orthopedics Services expanded throughout 2019 after parting ways with partner Summit Orthopedics. Led by surgeons Hans Bengtson, MD and Clinton Muench, MD the ortho team added physician assistant Ashley Erichsen, MPH, PA-C; and in October moved to fresh, expanded clinic space in Faribault, alongside ENT (ear, nose, throat). Orthopedics team now sees patients in Northfield, Faribault, Lakeville and Farmington.

Surgeon Ashley Marek, MD joined the General Surgery practice in February, from Hennepin County Medical Center (now Hennepin Healthcare), with experience in general surgery and special training in trauma and surgical critical care. Dr. Marek is board-certified by the American Board of Surgery in both General Surgery and Surgical Critical Care; she is also a fellow of the American College of Surgeons.

Family medicine physician David McIntyre, MD joined NH+C in March, caring for patients of all ages at the Northfield Clinic – and starting in 2020, the Faribault Clinic. Dr. McIntyre is a native of Faribault with over 20 years’ experience providing a wide range of care. He has special expertise in diabetes management, plus acute care, preventative health, and well-child care. Dr. McIntyre is board-certified by the American Board of Family Medicine.

Family medicine physician Suzanne Schaefer, MD joined the Lakeville Clinic in April, bringing 30 years’ experience, including Urgent Care expertise, to the Lakeville community. Dr. Schaefer is board-certified by American Board of Family Medicine.

The Birth Center added lactation services in April, led by board-certified lactation consultant Jennifer Kleine, RN, BSN, IBCLC, with appointments in the comfortable, relaxed setting of a private office at the Birth Center. Jennifer is an International Board Certified Lactation Consultant and a graduate of University of Colorado Health Sciences Center College of Nursing.

NH+C welcomed certified nurse midwife Jessica Bohren, APRN, CNM to the Women’s Health Center in June, expanding options for care with pregnancy and birth. Midwifery offers women the option of birth with minimal intervention – with the resources of a hospital and doctor close by if needed. Our certified nurse midwife encourages a natural childbirth experience through empowerment, attentive waiting, natural alternatives and low intervention. Jessica has eight years’ experience as a labor and delivery nurse and six years as a Certified Nurse Midwife. She is board-certified by American Midwifery Certification Board.

Surgeon Ellie Cohen, MD joined the General Surgery practice in September, the fourth surgeon in the expanding practice that provides a wide range of procedures – and 24/7 coverage for emergency surgery. Dr. Cohen completed her General Surgery residency at Hennepin County Medical Center with special training in trauma and critical care, and a surgical critical care fellowship at University of Hawaii.

NH+C BEGAN TWO MAJOR EXPANSION PROJECTS IN 2019

The Birth Center
+ Four new labor/delivery rooms
+ Three new post-partum rooms
+ Dedicated c-section operating room
+ Waterbirth suite – a first for NH+C
  + New triage room
  + Expanded nursery
  + New waiting area

Phase One completed in September 2020. Final completion: Spring 2021

Northfield Clinic
+ 12 new exam rooms
+ Lab moves to the front of the clinic
+ Design promotes team-based care

Phase One completed in June 2020. Final completion: November 2020
Northfield Hospital + Clinics honored seven employees with Exceptional Service Awards in 2019, part of our Do The Next Right Thing initiative that empowers every individual to help provide the best experience possible for patients, guests, and each other.

When the rain came down, this crew stepped up.

AT THE REHABILITATION SERVICES AND ORTHOPEDICS CLINICS in Northfield, heavy rain and a clogged storm sewer were quickly flooding the parking lot. As water rose towards the doors of patients’ cars, five staff sprang into action. Colleen Johnson and Renae Chappuis kicked off their shoes and waded in, clearing debris from the storm sewer by hand.

Joel Beithon joined them to help move patients’ cars out of harm’s way. Maria Bohl and Jon Sampson – his fourth day on the job – went from room to room collecting patients’ car keys. “People were just giving the new guy their keys to move their cars,” Jon says. Together, they worked fast to save patients’ cars from damage and prevent patients from wading through the cold water.

“We have a sense of pride and ownership,” Maria says. “This is not just our job. This is our clinic and our patients – it’s our home, and our family.”

That ownership happens often at NH+C, especially in departments that aren’t on the hospital campus. "People get past the idea of ‘that’s not my job’ and simply take action," Colleen says. "It’s a privilege to touch the lives of our patients,” she adds. “They have a choice, and they choose us. Treating people well builds trust, and that builds relationships.”

Their advice to colleagues? “If your heart is telling you to do it, just do it. If there’s a problem, let’s solve it.”
AS PATIENT ADVOCATE, Paula helps smooth the path for patients who have trouble with their care. The Cancer Care & Infusion Center asked Paula to help a patient whose cognitive and emotional challenges made it hard to handle chemotherapy. "She was very fearful of anything medical, and distrusting of everything," Paula says. "I felt that I could be her trusting contact here at the hospital."

To ease the patient’s worries about having a CT scan, Paula arranged a visit with Imaging to see the machine and explain the process. During chemo treatments, Paula spent hours keeping the patient company, distracting her and supporting her with “a lot of compassion and empathy and just friendship. After three months of treatment, she felt really comfortable with everything, and developed more trust with CCIC staff.”

Paula, a registered nurse, sees her role as the patient’s voice. “Most of the time, patients just want to be heard and supported. When they’re in the hospital, it’s at a low point – they’ve had surgery, or they’re feeling ill, they’ve had a hard or scary experience, even a death. I can be there and answer their questions and listen to them and make sure our medical teams are listening to them, so they have the optimal care experience.”

Paula’s advice for tough moments with patients: “Try to fix a problem right then and there. Don’t let it escalate. I’ll hear from patients who say, ‘I’ve been thinking about this for weeks’ – and that makes the problem feel much bigger to them.”

Rachel Eckelman’s actions speak as much as her words.

AS AN INTERPRETER, Rachel serves as a bridge for patients to their healthcare team. That extends beyond language. Rachel gives practical help so patients can make the most of their medical care.

A pregnant patient kept missing OB appointments because her hired transportation wasn’t reliable. During a snowstorm, Rachel picked up the patient, stayed during her appointment to interpret – then drove her back home, with a stop by the pharmacy along the way.

A child in physical therapy wasn’t able to use her adaptive stroller much because her family couldn’t fit it in their car. Rachel found a YouTube video that showed how to fold up the sophisticated stroller to fit in the car trunk. “Now they can use this great equipment to its full capacity,” Rachel says.

“There are things we take for granted: We have a car to drive to appointments, we can get the stroller owner’s manual in English. When you put yourself in someone else’s shoes, you can see what challenges they might have . . . and simply asking them if they need anything else, or offer ways you can help.”

Trust is key: “They come into an appointment knowing they can tell us their whole story. That’s the way patients can get optimal care, by not holding anything back. . . . You build a rapport over time, so patients know they can come to you with other concerns and issues too.”

Rachel’s advice: “Look out for the best interests of your patients, and help as best you can within your means.”
OUR MISSION  +  Care for the sick  +  Nurture wellness  +  Improve health of our communities

Northfield Hospital

Northfield Hospital
+ Birth Center
+ Breast Care Center
+ Cancer Care & Infusion Center
+ Endoscopy
+ Long Term Care Center
+ Sleep Center
+ Surgery Center

Clinics
+ Express Care Clinic
+ Faribault Clinic
+ Farmington Clinic
+ Lakeville Clinic
+ Lonsdale Clinic
+ Northfield Clinic
+ Orthopedic Clinic
+ Urgent Care (Lakeville)
+ Women’s Health Center

Services
+ Emergency Medical Services
+ Home Care
+ Hospice
+ Northfield Eye Physicians & Surgeons
+ Rehabilitation Services (Northfield and Lakeville)

northfieldhospital.org