

MEETING MINUTES RECORD

Meeting: Board of Directors

Date: April 28, 2016 Location: Conference Center Start time: 6:30 p.m. Adjourn time: 9:05 p.m.

Members present: Charles Kyte, CC Linstroth, Charlie Mandile, Michelle Muench, MD, Bob Murray, Steve O’Neill, Jonathan Reppe, James Schlichting

Members excused: Virginia Kaczmarek

Members absent:

Staff Present: Steve Underdahl, Jeff Meland, Jerry Ehn, Scott Edin, Tammy Hayes, Betsy Spethmann, Brian Edwards, Joe Johnson, Sandy Mulford, Bobbi Jenkins (Recorder)

Others present: Mayor Dana Graham, Robert Miller, MD, (Mayo) Tom Holt, MD, (Medical Staff President) David Emery (LWV) , Brad Phenow (Northfield News)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
1. Call to Order, Removal of Items from the Consent Agenda and Approval of the Agenda	<p>James Schlichting called the meeting to order at 6:35 p.m. He asked if any Board member would like to remove any item from the Consent agenda. There were no requests.</p> <p>James noted two additions to the revised agenda for tonight’s meeting:</p> <ul style="list-style-type: none"> • Request for Donation from the City of Northfield, and • Corporate Authorization Resolution. <p>CC Lindstroth noted one change to the attendance for the March 31, 2016 Quality Committee under the “Consent” agenda. She was in attendance and Virginia Kaczmarek was not. The minutes will be updated to reflect this change.</p>	A motion was made by CC Linstroth and seconded by Steve O’Neill to approve the revised agenda as presented. Motion carried.	Closed.
2. Spotlight Report: Clinic Practice	<p>Jerry Ehn, COO, gave an update on clinic services, including improving access, becoming more efficient (clinical operations assessment), and getting credit for what we do (coding).</p> <p><u>Improving Access</u></p> <ul style="list-style-type: none"> • Recruitment • Extended hours • Clinic same day care • Clinic operations assessment <p><u>Clinical Operations Assessment</u></p> <ul style="list-style-type: none"> • Identified opportunities • Prioritizing and implementing • Results <p><u>Coding</u></p> <ul style="list-style-type: none"> • WIPFLI • Findings • Plan • Summary 	Information only.	Closed.
3. Request for Donation from	The City approached NH&C about supporting the Northfield Public Schools	CC Linstroth abstained from voting	Closed.

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the City of Northfield	<p>Community Services Division Recreation Program through an agreement between the City of Northfield and Independent School District #659. Due to a tight timeframe, a "Special" meeting of NH&C Board was held on April 21st to receive a presentation from the City (copy of the request from the City was included in the Board packet). At that meeting, the Board deferring voting on the request until tonight's meeting.</p> <p>Charlie Kyte noted that to date, the Board has contributed over \$950,000 to the program. He also stated that he feels this fits well with the NH&C wellness mission. He voiced concern over the timeframe in which the request was received and asked that in the future requests are received in a timely manner so we are able to process the request through the normal vetting and budgeting process.</p>	<p>as a Board member due to a conflict of interest as she is currently serving as Interim Northfield City Administrator.</p> <p>A motion was made by Charlie Kyte to approve a one-year donation to the City of Northfield for the Northfield Public Schools Community Services Division Recreation Program in the amount of \$113,072, with the stipulation that the City and hospital work out the language and detail of the agreement. The motion was seconded by Bob Murray. Motion carried.</p>																																		
4. Reports																																				
<ul style="list-style-type: none"> Hospital Chief of Staff Report 	No report.	None.	Closed																																	
<ul style="list-style-type: none"> Motion to Approve the Applications for Medical Staff Membership/ Privileges 	<p>Dr. Tom Holt presented the following medical staff files for approval from the Credentials Committee. There were no concerns with any of the files.</p> <p style="text-align: center;"><u>Appointments</u></p> <table border="1" data-bbox="378 1272 932 1493"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3842</td> <td>Internal Med/ Cardiology</td> <td>Affiliate</td> </tr> <tr> <td>3797</td> <td>OB/GYN</td> <td>Affiliate</td> </tr> <tr> <td>3844</td> <td>PA</td> <td>AH:D</td> </tr> </tbody> </table> <p style="text-align: center;"><u>Reappointments</u></p> <table border="1" data-bbox="378 1535 932 1915"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>7178</td> <td>Pathology</td> <td>Affiliate</td> </tr> <tr> <td>7166</td> <td>Family Medicine</td> <td>Affiliate</td> </tr> <tr> <td>2622</td> <td>Teleradiology</td> <td>Telemedicine</td> </tr> <tr> <td>2623</td> <td>Teleradiology</td> <td>Telemedicine</td> </tr> <tr> <td>7227</td> <td>Anesthesiology</td> <td>Affiliate</td> </tr> <tr> <td>3766</td> <td>Oral & Maxillofacial Surgery Assistant</td> <td>AH:D</td> </tr> </tbody> </table>	Prac #	Privilege	Category	3842	Internal Med/ Cardiology	Affiliate	3797	OB/GYN	Affiliate	3844	PA	AH:D	Prac #	Privilege	Category	7178	Pathology	Affiliate	7166	Family Medicine	Affiliate	2622	Teleradiology	Telemedicine	2623	Teleradiology	Telemedicine	7227	Anesthesiology	Affiliate	3766	Oral & Maxillofacial Surgery Assistant	AH:D	<p>A motion was made by Steve O'Neill and seconded by Jonathan Reppe to approve the appointments, reappointments and extension of provisional status as recommended by the Credentials Committee and the Medical Executive Committee. Motion carried.</p>	Closed.
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	3450	Internal Med/ Cardiology	Affiliate			
	<u>Provisional Status</u>					
	Prac #	Privilege	Adv.	Ext.		
	3784	Orthopedic Assistant		X		
	<u>No Action Requires</u>					
	<u>Voluntary Resignations</u>					
	Prac #	Privilege	Category			
	3.774	CRNS	AH:I			
<ul style="list-style-type: none"> FamilyHealth Clinic Medical Director Report- 	No report.				N/A	N/A
<ul style="list-style-type: none"> CMO Report 	No report.				N/A	N/A
<ul style="list-style-type: none"> Allina Clinic Medical Director Report 	No Report				N/A	N/A
<ul style="list-style-type: none"> Mayo Report 	No Report				N/A	N/A
<ul style="list-style-type: none"> City Business Update 	Mayor Dana Graham thanked the Board for approving the contribution to the City's Recreation Program.				N/A	N/A
<ul style="list-style-type: none"> CFO Report 	Scott Edin reported that the Budget & Finance Committee will hold a Special meeting on 05/02/16 to review financing alternatives and to recommend a lender for Bond refinancing.				Final recommendation is expected to come to the Board in May.	Closed.
<ul style="list-style-type: none"> ✓ March Financials 	<p>March gross patient revenues were \$1,527,000 over-budget, while deductions from revenue were \$612,000 over-budget. Operating expenses were \$499,000 over-budget. Operating income was \$568,000 vs. a budget of \$157,000 (year-to-date: - 3.4% operating margin vs (1.7%) budgeted).</p> <p>Key positive and negative volumes for March were reviewed, day's cash on hand, payer mix and salary and benefits as % of net revenues.</p>				Information only.	Closed.
<ul style="list-style-type: none"> ✓ Quarterly Capital Purchase Report 	Capital purchases for the first quarter of 2016 totaled \$905,151. The larger expenditures include \$598,377 for the data center project and \$101,218 for surgical				Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	instruments and equipment. Scott Edin reviewed a number of projects on the horizon, including an ambulatory surgery center, and electronic medical record system.		
✓ EMR Process Update	<p>Scott Edin gave an update on the Electronic Medical Record (EMR) Assessment, including the project scope and charter, the selection process and road map.</p> <p>Our current system isn't robust enough to meet the information needs into the foreseeable future. We are unable to easily share patient data with various health systems, the current system is not user friendly and doesn't enhance efficiencies in the clinic and hospital setting, and may impact NH&C ability to attract and retain physicians. Approval of the vendor selection is expected to come to the Board for approval later in the summer.</p>	Information only.	A formal request will come to the Board for approval at a later time.
• CEO Report	<p>Steve Underdahl reported on the following:</p> <p><u>Strategic</u></p> <ul style="list-style-type: none"> • Operating framework for the Hospitalist Program has been identified and a physician led work team is refining the program. This represented significant cooperation between NH&C and Allina. • Information from the Board Retreat in early April will be consolidated into an updated draft of the Strategic and Tactical Plan, and is expected to be distributed to the Board in May. <p><u>Operations</u></p> <ul style="list-style-type: none"> • IT is taking steps to keep NH&C data safe. • The first annual exceptional service awards banquet was held on April 5th, and was well received by the recipients. • The clinics had the best first quarter this year in the history of our clinic practice. • Home Care / Hospice is in the process of moving from the current location in downtown Northfield to space in our new EMS quarters. • The Auxiliary Book Fair started this week and ends on Saturday. 	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> Governance & Planning Committee 	<p>James Schlichting reported on items discussed at the Governance & Planning Committee prior to the Board meeting this evening:</p> <ul style="list-style-type: none"> Approved minutes from the last committee meeting. Working on the CEO evaluation process. Kirsten Budin, HR Director, attended this portion of the meeting to assist in the process. Any additional input from the Board should be sent to Bobbi Jenkins to share with the committee. On May 19, the committee will hold a "Special" meeting to finalize the evaluation before it comes to the Board for approval in May as a "Closed" session. Discussed revisions to the Hospital Bylaws which will come to the Board for approval in May. Discussed the process for the Board self-evaluation. 	Information only.	Closed.
5. Consent Agenda	<p>Supporting documentation was included in the packet for the following items on the Consent Agenda:</p> <ul style="list-style-type: none"> ✓ Meeting Minutes: <ul style="list-style-type: none"> ✓ 03/31/16 Board Meeting ✓ 04/01/16 Board Retreat Open Session ✓ 03/31/16 Budget & Finance Committee ✓ 03/31/16 Quality Assurance Committee 	<p>A motion was made by CC Linstroth and seconded by Steve O'Neill to accept the minutes from the Budget & Finance and Quality Assurance committees, and approve the other items on the agenda.</p> <p><i>Note comment made earlier in the agenda related to the attendance for the 03/31/16 Quality Assurance committee minutes.</i></p>	Closed.
6. Presentations/ Discussion/ Action Items			

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> Approval of Direct Digital for Radiology Room 	<p>Sandy Mulford reviewed the proposal to replace radiology equipment in Radiology Room 1 (copy of proposal was included in the packet). The current system is nearly 13 years old, with a life expectancy of 10 years. Direct digital for imaging has been requested in 2016, which is the current standard for radiology. It allows for immediate image viewing throughout the organization and is especially important in situations where time is of the essence. Replacing this equipment is the first component of a conversion to digital. Three site visits were done and all vendors are on contract with Premier, group purchasing organization; therefore, no public bids are required.</p> <p>Sandy noted that she had additional negotiations with the vendor and was able to receive a \$16,000 savings in the form of an extended warranty. She thanked Bob Murray for his feedback to make this possible.</p>	<p>A motion was made by Charlie Kyte and seconded by CC Linstroth to approve the purchase if a Siemens Ysio Max radiology system, at a total project cost not to exceed \$268,420. Motion carried.</p>	<p>closed.</p>
<ul style="list-style-type: none"> Preview: TV System Replacement Preview 	<p>Tammy Hayes previewed an upcoming request to update televisions throughout the hospital, which will come to the Board for final approval next month.</p> <p>Most of our current televisions were purchased with the construction of the new facility in 2003, and are outdated and small. Patients have voiced concerns over the outdated televisions.</p> <p>The recommendation is to replace 102 televisions throughout the facility. The inpatient areas will be replaced with healthcare grade models and the rest with consumer grade televisions. The healthcare grade televisions will be connected to the nurse call system (controlled at the bedside via the nurse call cord). They have the option for interactivity in the future. The consumer grade will use a remote and will not be interactive. They meet all the requirements for healthcare and are less expensive.</p>	<p>Formal proposal to purchase will come to the Board in May.</p>	<p>Closed.</p>

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<ul style="list-style-type: none"> Preview: Ambulance Replacement 	<p>Brian Edwards, Director of EMS, previewed an upcoming request for an ambulance replacement. The ambulance was purchased in 2010. The module and chassis have 210,000 miles. It has had higher than average time out of service due to persistent electrical issues in the module that are not able to be resolved. Ambulances are replaced at an average of 303,750 miles and at an average of six years of service.</p> <p>EMS has worked with a primary fleet vendor through an EMS cooperative purchasing compact and are requesting a Crestline Icon Type 3 on a freightliner chassis. It has increased safety features and includes a lower-LOAD loading system and expanded patient surface stretcher. The bid is at \$204,468.75 (\$231,00 was budgeted). He noted that there is five-month delivery from time of order. The current ambulance would be kept as an EMS education truck as there is little salvage value.</p> <p>The Board inquired about the soft cost to keep the vehicle (i.e. insurance, maintenance).</p>	<p>Formal proposal to purchase will come to the Board in May. Questions from the Board will be addressed at that time.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> Corporate Authorization Resolution 	<p>Scott Edin requested approval from the Board to update the corporate authorization resolution which designates those who have signing authority for all accounts held at Community Resource Bank (copy of corporate authorization resolution was included in the Board packet. With the retirement of Charlie Austin, it needs to be updated.</p> <p>Scott recommended we reduce the number of signers to the four members of senior administrative staff (Steve Underdahl, Scott Edin, Jerry Ehn and Jeff Meland, MD). He explained that every time a new account is opened or closed, the bank requires signatures from everyone included on the resolution.</p>	<p>A motion was made by CC Linstroth and seconded by Jonathan Reppe to approve the Corporate Authorization Resolution as presented. Motion carried.</p>	<p>Closed.</p>

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7. Roundtable, Announcements and Questions	<ul style="list-style-type: none"> CC Linstroth thanked the Board for allowing the City to present and move forward with a request for a donation for the Northfield Public Schools Community Services Division Recreation Program this evening and for approving a one-year donation. She commented this is not the normal schedule for requesting donations; however, due to the change in staff at the City, they were under a tighter timeframe this year. By the time this request got to CC as she was serving as Interim City Administrator, the timing was already behind schedule. In the future this request will come in November or December. CC Linstroth noted that she did not submit her April Retreat work sheet assessment. She suggested that in the future the Board discuss as a group how the information submitted will be used, what is the purpose, how it is evaluated and shared., etc. 	Information only.	Closed.
8. Pending Items			
<ul style="list-style-type: none"> CEO Evaluation Process 	The Governance and Planning Committee is finalizing a recommendation to the Board, which will be discussed in Executed Session on May 26 th following the regular Board meeting.	Information only.	Closed.
<ul style="list-style-type: none"> Board Self-Assessment 	The self-evaluation summary was distributed to the Board a couple of months ago.	Information only.	Closed.
9. Fill out the Board Evaluation Form	<p>James Schlichting asked that board members complete an evaluation form after every meeting. This gives the Board the opportunity to make changes to improve Board meetings in real time vs. waiting for the annual evaluation.</p> <p>The Board suggested that the meeting evaluation forms be pre-filled in advance with the agenda items to be evaluated listed on the form, as well as the removal of "optional" after the name.</p> <p>James reported that beginning in July, the Board will receive quarterly reports summarizing Board member attendance at Board and committee meetings, and submission of required materials, including monthly Board meeting evaluation forms.</p>	Information only.	Closed.

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10. <u>Closed Session</u>	Discussion of Marketing Activity related to the hospital's competitive position with other health care providers that offer similar goods and services pursuant to Minn.Stat 144.581, subd. 5 beginning at approximately 8:30 p.m.	A motion was made by Jonathan Reppe and seconded by Steve O'Neill to go into closed session. Motion carried	Closed
11. Adjourn	The meeting was adjourned at 9:05 p.m.	A motion was made by Steve O'Neill and seconded by Bob Murray to adjourn the meeting at 9:05 p.m. Motion carried.	Closed.