

MEETING MINUTES RECORD

Meeting: Board of Directors

Date: March 21, 2019 Location: Conference Center Start time: 6:30 pm Adjourn time: 9:06 pm

Members present: Sarah Carlsen, Lynn Clayton, CC Linstroth, Charlie Mandile, Steve O'Neill, Fred Rogers, Pete Sandberg, Bob Shepley, MD

Members excused: Jessica Peterson White

Members absent:

Staff Present: Steve Underdahl, Jerry Ehn, Scott Edin, Tammy Hayes, Laura Peterson

Others present: Rob Schile (CLA), Rhonda Pownell, Ben Martig, David Emery, Betsy Spethmann (Recorder)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<p>1. Call to Order and Approval of the Agenda</p>	<p>The meeting was called to order by Steve O'Neill at 6:33 pm.</p> <p>Steve O'Neill suggested that the group take a brief break around 8pm.</p> <p>New board member Dr. Bob Shepley was introduced to the group. Steve Underdahl noted that Dr. Shepley has been part of NH+C for nearly 30 years.</p> <p>The Governance & Planning job description was removed from consent agenda to correct a small error.</p>	<p>A motion was made by Lynn Clayton and seconded by Charlie Mandile to approve the agenda with the removal of the Governance & Planning Committee job description from the Consent Agenda. CC Linstroth and Charlie Mandile recused themselves from vote on the consent agenda due to conflict with Health Award recommendations. Motion carried.</p>	<p>Closed.</p>
<p>2. Consent Agenda</p>	<p>Items from the consent agenda were included in the board packet:</p> <ul style="list-style-type: none"> • Meeting minutes (approved): <ul style="list-style-type: none"> o 02/28/19 Board meeting • Meeting minutes (accepted): <ul style="list-style-type: none"> o 02/26/18 Governance & Planning Committee o 02/27/19 Budget & Finance Committee o 02/28/19 Community Relations Committee • Revision to Governance & Planning job description • Revision to Board Policy: Board Approval Polices & Procedures • Health Awards Recommendation for 2019 <p>Laura Peterson noted a change to be made the Governance and Planning Job description. It will be corrected and brought back to the Board in April.</p>	<p>A motion was made by Pete Sandberg and seconded by Bob Shepley to approve the Consent agenda, with the exception of the Governance & Planning Committee job description. Motion carried.</p>	<p>Closed.</p>
<p>3. Reports</p>			

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<ul style="list-style-type: none"> Hospital Chief of Staff Report 																																	
<ul style="list-style-type: none"> ✓ Credentialing Process Overview 	<p>Dr. Holt gave a brief overview of privileging process: First, background check and professional references; then reviewed by peers for specific information relevant to specialty; then reviewed by Medical Executive Committee; then presented to the Board.</p> <p>Physicians are re-credentialed every two years via review.</p> <p>Dr. Holt said the process looks for significant issues; it's not a guarantee of quality.</p> <p>Laura Peterson added that it's a thorough process, with detailed information on all physicians.</p> <p>Jeff Meland added that NH+C's process is robust, with a strong quality monitoring process.</p> <p>Discussed liability of NH+C and of employee physicians or those not employed by NH+C.</p> <p>Dr. Holt reported that during credentialing process, MEC will ask providers their call coverage plan, then decide if it's sufficient.</p>	Information only.	Closed.																														
<ul style="list-style-type: none"> ✓ Motion to Approve Applications for Medical Staff Membership/ Privileges 	<p>Dr. Tom Holt presented the applications for membership and privileges:</p> <p><u>Appointments:</u></p> <table border="1" data-bbox="386 1192 938 1476"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3971</td> <td>Teleradiology (CDI)</td> <td>Telemedicine</td> </tr> <tr> <td>3976</td> <td>Teleradiology</td> <td>Telemedicine</td> </tr> <tr> <td>3978</td> <td>General Surgery</td> <td>Active</td> </tr> </tbody> </table> <p><u>Reappointments</u></p> <table border="1" data-bbox="386 1549 938 1885"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>2773</td> <td>Radiology</td> <td>Affiliate</td> </tr> <tr> <td>3905</td> <td>Cardiology</td> <td>Affiliate</td> </tr> <tr> <td>3786</td> <td>Occupational Medicine</td> <td>Affiliate</td> </tr> <tr> <td>72472</td> <td>Optometry</td> <td>AH:I</td> </tr> <tr> <td>3579</td> <td>Podiatry</td> <td>Affiliate</td> </tr> </tbody> </table> <p><u>Provisional Status</u></p>	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>	3971	Teleradiology (CDI)	Telemedicine	3976	Teleradiology	Telemedicine	3978	General Surgery	Active	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>	2773	Radiology	Affiliate	3905	Cardiology	Affiliate	3786	Occupational Medicine	Affiliate	72472	Optometry	AH:I	3579	Podiatry	Affiliate	<p>A motion was made by Lynn Clayton and seconded by Pete Sandberg to accept the recommendations from the Medical Executive Committee on the reappointments. Motion carried.</p>	Closed.
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	3939	Pathology		X						
	3930	Medical Oncology	X							
	3838	Orthopedics	X							
	<u>Change in Medical Staff Category</u>									
	Prac #	From Category	To Category							
	2773	Affiliate	Telemedicine							
<ul style="list-style-type: none"> CMO Report 	No report				NA	NA				
<ul style="list-style-type: none"> NH+C Clinic Report 	Dr. Flannery reported that remodel meetings are underway for the Northfield clinic, which will continue operations during remodeling. Dr. McIntyre, Family Medicine, has started in the Northfield Clinic.				Discussion only.	Closed.				
<ul style="list-style-type: none"> City Report 	Brad Ness reported that street projects are being finalized for 2019, including Third Street; open house for Accessory Dwelling Units drew about 60 people; complemented Ben Martig and Mayor Pownell for a successful State of the City presentation earlier this week.				Discussion only.	Closed.				
4. Annual Audit Report	<p>Rob Schile presented the audit report. He complemented the finance department as very cooperative, aspires to best practices, well-prepared. Rob said rebasing efforts are getting traction.</p> <p>Discussed benefits of two-factor identification for IT security.</p> <p>Discussed Standard & Poor's ratings as NH+C's benchmark: NH+C had been rated BBB in past years, however when we refinanced we did a direct Bank placement and they do not require S&P rating. Most smaller non-system hospitals are BBB rated.</p> <p>Discussed GASB 68, how individuals and financial organizations understand it now that it's been in place for some years.</p>				Discussion only.	Closed.				
5. Strategic Discussion										
<ul style="list-style-type: none"> Environmental Scanning Part 2 	Steve Underdahl presented information on the healthcare environment to help prepare for Board retreat. The presentation is in the Board portal.				Discussion only.	Closed.				

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6. Presentations/ Discussion/ Action Items			
<ul style="list-style-type: none"> Approval of Replacement Ambulance 	<p>Jerry Ehn presented review of planned replacement for ambulance 315 for \$230,000, which is in the capital budget. Slides were included in the Board portal.</p>	<p>A motion was made by Fred Rogers and seconded by Lynn Clayton to approve the purchase of a replacement ambulance. Motion carried.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> Nursing Services Update 	<p>Tammy Hayes reported on several initiatives:</p> <ul style="list-style-type: none"> Med/Surg RN training program: recruiting/training RNs as casual, then add as staff; overtime down 36%, salary costs down 43%. Now expanding to OB and ED. Home Care and Hospice: automation of billing as part of care visit. Long Term Care Center: added photos to Meditech medical record so float nurses easily identify patients for care and medication. Birth Center: Mandatory all-OB skills day for new and emergency skills. ED Pediatric tool kit: calms pediatric patients for less painful, better care. Surgical Services: Go Clear program to manage smoke from surgical procedures, will be in place by June. Colon Cancer Awareness month – Endo staff doing community outreach; has resulted in increase in scheduled colonoscopies. 	<p>Discussion only.</p>	<p>Closed.</p>
7. Executive and Committee Reports			
<ul style="list-style-type: none"> CEO Report 	<p>Steve Underdahl reported on:</p> <ul style="list-style-type: none"> ASC planning continues; more details to come as the project matures. Patient-facing technologies and Social Determinants of health: both will be explored at the Board retreat. Expansion project: Clinic, Birth Center expansion planning continues with design team and contractor. Faribault real estate: reviewing options for clinic space; may have recommendation for Board in April, then to City. 	<p>Discussion only.</p>	<p>Closed.</p>

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	<ul style="list-style-type: none"> Energy savings: after review, will handle the project in-house to improve lighting and energy use. Legislators are debating privacy and information sharing via bills before MN legislature. A physician non-compete bill has been introduced. The renewal of the provider tax is currently being debated. MHA supports that the provider service tax continue. <p>CC Linstroth stated that broadband access for rural markets will be crucial to patient-facing technology, and asked to add it to Board retreat agenda.</p>		
<ul style="list-style-type: none"> Financial Report 	<p>Scott Edin reported on the February financials:</p> <p><u>February Key Drivers</u></p> <ul style="list-style-type: none"> Surgeries were 3% over budget Endo procedures were 2% over budget Imaging Services and Ambulance Runs were 1% over budget Births were right at budget Inpatient days were 14% under budget ED Visits were 11% under budget <p><u>February 2018 Financial Outcomes</u></p> <ul style="list-style-type: none"> Net operating revenues were \$322K under budget Operating expenses were \$300K under budget Net operating loss was \$264K (\$22K under budget) <p>Steve Underdahl pointed out that this time of year when activity is high, it's usually driven by illness (colds, flu) which affect all ages, including those with commercial coverage – and this had a positive impact on payor mix.</p>	Discussion only.	Closed.
<ul style="list-style-type: none"> Quality Committee Oral Report 	<p>Charlie Mandile reported that Steve O'Neill rejoined the committee; Sarah Carlsen and Dr. Bob Shepley are getting up to speed with the committee.</p> <p>Charlie added that Dr. Shepley noted that readmission rates are up, which affects reimbursement rates when patients stay longer than 3 days after surgery. More details will be in the dashboard for next month.</p>	Discussion only.	Closed.
<ul style="list-style-type: none"> Budget & Finance 	<p>The Budget & Finance committee recommends that the Board reconsider/revise the two-step process to</p>	Steve & Scott will bring a draft guidelines for review	Closed.

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Committee Oral Report	review, then approve purchases. Fred Rogers and Pete Sandberg explained that it may be relevant for big-scale projects but not for smaller projects or for items in the capital budget, such as the ambulance purchase. CC Linstroth explained the history behind the process, which was to make room for discussion and consideration on decisions. Fred Rogers suggested that staff continue to anticipate Board questions to include that information in the initial presentation. Steve O'Neill added that streamlining some requests can make Board meetings more efficient; there should be flexibility and balance to decide which topics are best handled in two steps. Charlie Mandile suggested setting guidelines re: thresholds for one-step and multi-step approval processes. Pete Sandberg suggested that the Board spend a meeting on the capital budget when it comes before the Board for approval, so all Board members know it well and it can be referred back to easily when capital expenditures come up throughout the year.	process back to the Budget & Finance Committee to discuss options.	
8. Roundtable, Announcements and Questions	Brad Ness invited all to Board and Commissions recognition event on April 17, 5 pm at Weitz Center.	Discussion only.	Closed.
9. Pending Items	None	NA	NA
10. Adjourn	The meeting was adjourned at 9:06 pm.	A motion was made by Charlie Mandile and seconded by Sarah Carlsen to adjourn the meeting. Motion carried.	Closed.