

# MEETING MINUTES RECORD

Meeting: Board of Directors – **Virtual Meeting during COVID-19 Pandemic**

Date: March 18, 2021      Location: Virtual Meeting      Start time: 5:00 pm      Adjourn time: 7:25 pm

Members: Lynn Clayton, CC Linstroth, Charlie Mandile, Sarah Carlsen, Jessica Peterson White, Fred Rogers, Bob Shepley, MD

Members absent:

Staff: Steve Underdahl, Jerry Ehn, Jeff Meland, MD, Scott Edin, Tammy Hayes, Betsy Spethmann, Bobbi Jenkins (recorder)

Others: Mayor Rhonda Pownell, City Administrator, Ben Martig, Teresa Knoedler (Legal Counsel), David Emery (LWV), Rob Schile (CLA), Daniel Deyle (CLA)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution															
I. Call to Order and Approval of the Agenda	<p>The board meeting was called to order by Fred Rogers at 5:00 p.m.</p> <p>It was determined that it is was not feasible for members of the board of directors to be physically present at the board meeting due to the COVID-19 pandemic. The virtual meeting was held via WebEx.</p> <p>Items on the consent agenda (available on the portal):</p> <ul style="list-style-type: none"> <li>• Meeting minutes (approve)               <ul style="list-style-type: none"> <li>✓ Board Meeting – 02/25/21</li> </ul> </li> <li>• Meeting minutes (accepted)               <ul style="list-style-type: none"> <li>✓ Community Relations – 02/25/21</li> </ul> </li> <li>• 2021 Board Committee Assignments</li> </ul>	<p>A motion was made by Lynn Clayton and seconded by Sarah Carlsen to approve the regular and consent agendas as presented. Motion carried.</p>	<p>Closed.</p>															
II. Reports																		
1. Hospital Chief of Staff Report																		
<ul style="list-style-type: none"> <li>• Approval of Applications for Medical Staff Membership/ Privileges</li> </ul>	<p>Dr. Jeff Meland presented the medical staff applications for membership and privileges (available on the portal). There were no issues with any of the medical staff files presented.</p> <p><u>Appointments</u></p> <table border="1" data-bbox="378 1539 932 1890"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>4070</td> <td>AH: Independent</td> <td>Behavioral Health</td> </tr> <tr> <td>4064</td> <td>AH: Independent</td> <td>Behavioral Health</td> </tr> <tr> <td>4066</td> <td>AH: Independent</td> <td>Behavioral Health</td> </tr> <tr> <td>4065</td> <td>AH: Independent</td> <td>Behavioral Health</td> </tr> </tbody> </table>	Prac #	Category	Privilege	4070	AH: Independent	Behavioral Health	4064	AH: Independent	Behavioral Health	4066	AH: Independent	Behavioral Health	4065	AH: Independent	Behavioral Health	<p>A motion was made by Sarah Carlsen and seconded by Dr. Robert Shepley to accept the recommendations from the Medical Executive Committee as presented. Motion carried.</p>	<p>Closed.</p>
Prac #	Category	Privilege																
4070	AH: Independent	Behavioral Health																
4064	AH: Independent	Behavioral Health																
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Issue/Problem	Discussion/Conclusions			Action	Follow-up/Resolution
	4067	AH: Independent	Behavioral Health		
	4069	AH: Independent	Behavioral Health		
	4068	AH: Independent	Behavioral Health		
	4073	AH: Independent	Behavioral Health		
	<u>Provisional Status</u>				
	<u>Prac #</u>	<u>Privilege</u>	<u>Adv</u>	<u>Ext</u>	
	4030	Behavioral Health	X		
	4032	Behavioral Health	X		
	4033	Behavioral Health	X		
	4029	Behavioral Health	x		
	<u>No Action Required</u>				
	<u>Temporary Privileges Granted</u>				
	<u>Prac #</u>	<u>Category</u>	<u>Privilege</u>		
	3974	<u>Locum Tenens</u>	<u>OB/GYN</u>		
	4072	<u>AH: Independent</u>	<u>Wound Healing Center</u>		
	<u>Voluntary Resignation</u>				
	<u>Prac #</u>	<u>Category</u>	<u>Privilege</u>		
	3826	AH: Independent	Behavioral Health		
	3801	Active	IM/Oncology		
<ul style="list-style-type: none"> <li>Board Member Conflict of Interest</li> </ul>	<p>Teresa Knoedler, Friedemann Law Firm, reviews all conflicts of interest statements from the board members annually. She reviewed with the board the importance of board member completing the annual form, and the requirements as a public entity to disclose conflicts of interest during board discussions. A conflict of interest should be disclosed by board members any time they, or someone close to them, could benefit from or be perceived to benefit from, the board discussion/action. As a non-profit entity, we are bound by municipal regulations, as well as NH+C Bylaws and policies. She asked that each board member be mindful of their conflicts and if there are changes throughout the year to contact either herself or the Board Chair.</p>			Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
III. Presentations/ Discussion / Action Items			
<ul style="list-style-type: none"> <li>Annual Audit Report</li> </ul>	<p>Scott Edin introduced Rob Schile, CPA, CLA Principal, and Daniel Doyle, CLA Manager. Rob and Daniel met with the Budget &amp; Finance Committee prior to the Board meeting to review the 2020 audit in detail. Rob presented a high-level executive summary of the 2020 audit to the full board (slides available on the portal).</p> <p>Results included:</p> <p>Significant Events and Transactions</p> <ul style="list-style-type: none"> <li>Provider Relief Funds during COVID</li> <li>Adoption of GASB 87</li> </ul> <p>Audit Adjustments</p> <ul style="list-style-type: none"> <li>There were no audit adjustments posted or passed adjustments</li> </ul> <p>Subsequent Events</p> <ul style="list-style-type: none"> <li>No subsequent events</li> </ul> <p>Internal Controls</p> <ul style="list-style-type: none"> <li>No material weaknesses noted</li> <li>Rob pointed out the strong Cash position of 287 Days, and noted that NH+C had a negative -4.5% Operating margin before recognizing \$8.9 million of CARES Act grants.</li> </ul> <p>New Accounting Standards</p> <ul style="list-style-type: none"> <li>Capitalized Interest</li> </ul> <p>The audit was done virtually this year due to COVID. It went as planned with no difficulties, no disagreements, and no issues. Rob commended Eric Guth, Controller, and his staff for the great prep work.</p>	<p>A motion was made by CC Linstroth and seconded by Lynn Clayton to accept the audit report as presented by Rob Schile.</p>	<p>Rob will report to the City Council in early June.</p>
<ul style="list-style-type: none"> <li>✓ Budget &amp; Finance Committee Report / Recommendations</li> </ul>	<p>Fred Rogers reported that the Budget &amp; Finance Committee received the full audit report prior to the Board meeting this evening and they recommend full board accept to the financial statements and audit report as presented.</p>	<p>Information only.</p>	<p>Closed.</p>
<ul style="list-style-type: none"> <li>City Board Refresher</li> </ul>	<p>Mayor Rhonda Pownell and City Administrator, Ben Martig, reviewed the City of Northfield's orientation for new board members, and refresher course for experienced members (slides available on the portal).</p> <p>Objectives:</p> <ul style="list-style-type: none"> <li>Review key documents of the city and applicable hospital enabling provisions</li> </ul>	<p>Information only.</p>	<p>Closed.</p>

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p>(Note Playbook was presented at the last board meeting)</p> <ul style="list-style-type: none"> <li>• Inform on the city's strategic vision and related guiding documents that relate to hospital initiatives.</li> <li>• Share city activities and areas of interest.</li> </ul> <p>Dates to remember in 2020:</p> <ul style="list-style-type: none"> <li>• Board and Commission Recognition Event – to be determined – typically in April</li> <li>• Board and Commission Training Event – October 27 - location to be determined</li> <li>• Holiday Social and City Council Appreciation Reception – December 16 – Northfield Public Library atrium – 5:00 to 6:00 p.m.</li> </ul> <p>Steve Underdahl presented NH+C high-level strategic plan to the City Council on March 2.</p>		
<ul style="list-style-type: none"> <li>• Charter Commission update</li> </ul>	<p>Steve Underdahl updated the Board on a recent Charter Commission meeting that he, Fred Rogers, Mayor Pownell and Ben Martig attended. CC Linstroth attended as a member of the Charter Commission. Two suggested changes were proposed to the Charter Commission to consider:</p> <ol style="list-style-type: none"> <li>1. Allowing for the appointment of up to three board members who resides outside the Northfield city limits but within the school district (the current limit is two).</li> <li>2. Modify language to allow for an employed physician to serve on the board (currently, no hospital employee is allowed to serve on the Board).</li> </ol> <p>A sub-committee of the Charter Commission will be researching these proposed requests to ensure the best plan for the community and will bring back to the Charter Commission for further review. CC Linstroth encouraged board members with any questions or feedback to contact either herself or any a member of the Charter Commission.</p> <p>No action is required by the Board at this time. Fred Rogers suggested this be discussed further with the Governance &amp; Planning Committee and allow that committee to be the liaison between the</p>	Information only.	Continue to keep the board updated.

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	board and the Charter Commission. The City/Hospital Governance Committee will also be discussing. Fred to communicate this intent with the Charter Commission,		
IV. Executive and Committee Reports			
A. CEO Report	<p>Steve Underdahl, CEO, reported on the following:</p> <p><u>COVID-19</u></p> <ul style="list-style-type: none"> <li>Vaccination efforts continue. By the end of this week, we will have given 9,000 vaccinations, and expect to give 10,000 by the end of the month. We have some of the best results of small medical centers in the state. Anticipate continuing vaccination clinics through May</li> </ul> <p><u>Strategic</u></p> <ul style="list-style-type: none"> <li>EHR implementation kick-off event was this week, which will represent a significant commitment of time and resources across the enterprise.</li> <li>The Wound Healing clinic is up and running and are seeing 4-6 patients a day during the ramp-up period.</li> <li>Re-engineering efforts are making progress in Orthopedics, Women’s Health, and the Farmington Clinic. The goals are different by service line, but in general are about making our services easy to choose and easy to use.</li> <li>Patient-facing technology: eCare, asynchronous visit program, is live and available for our patients. The soft live was March 4. Email marketing campaign will be sent to 16,566 recipients by the end of this week. A press release will be released next week, along with social media and other marketing avenues.</li> <li>Northfield Hospital Foundation is evaluating temporary staffing support (HR, Finance, Marketing, Communications).</li> </ul> <p><u>Operations</u></p> <ul style="list-style-type: none"> <li>February was a marginally better month than January in terms of volumes and revenue. Overall volumes and related financial results are still soft. Expense associated with COVID</li> </ul>	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p>are still significant and likely will be for at least Q1 and Q2.</p> <ul style="list-style-type: none"> <li>The Birth Center project is complete. The final inspection is on March 23. The opening of the new Birth Center seems to be drawing new patients and the volumes through the first two months are running higher than last year during the same time period. Individuals are choosing our hospital even if they started their prenatal care elsewhere.</li> </ul>		
B. Financial Report	<p>Scott Edin, CFO, presented the February financial report (slides available on portal):</p> <p><u>February Key Drivers</u></p> <ul style="list-style-type: none"> <li>Inpatient days were 4% over forecast</li> <li>Emergency Department visits were 14% under forecast</li> <li>Surgery procedures were 24% under forecast</li> </ul> <p><u>Financial Outcomes</u></p> <ul style="list-style-type: none"> <li>Net operating revenues were \$676K under forecast</li> <li>Other operating revenues were \$524K over forecast</li> <li>Operating expenses were \$79K over forecast</li> <li>New operating loss was \$515K vs. a forecast loss of \$248K.</li> </ul> <p><u>Financial Notes</u></p> <ul style="list-style-type: none"> <li>Recognized \$500K of deferred COVID grants (\$1M YTD in 2021)</li> <li>Investment gains were \$626K for the month</li> <li>Purchased services of \$117K to Mayo for COVID-19 testing</li> </ul>	Information only.	Close
C. Nursing/Patient Care Updated	<p>Tammy Hayes, CNE, presented a nursing services update on patient focused activities (slides available on portal). She reported on the work of the Hospital Patient Experience Committee, Include Always (Patient &amp; Family Advisory Council), and an update on our new patient advocate.</p> <p>Tammy also reviewed changes over the past year in the hospital and Long Term Care Center related to COVID-19 and visitation. She reviewed methods used to help patients and residents stay connected.</p> <p>The Board was appreciative of the report and thankful for all the improvements that</p>	Information only.	Closed.

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	have been made to make the patient experience better during the pandemic.		
D. Quality Committee Oral Report	Sarah Carlsen reported on the March 16, 2021 Quality Committee meeting. They reviewed the Board Quality dashboard, process improvement quality project, and the committee job description. They are also working on connected the quality dashboard to NH+C strategic goals. The Quality Dashboard will be included in the April Board packet.	Information only.	Closed.
V. Roundtable, Announcements and Questions	There were board comments related to how grateful they feel to serve on the board of a medical center that does such good work short, near and long term.	Information only.	Closed.
VI. Adjourn	The meeting was adjourned at 7:27 pm.	A motion was made by Sarah Carlsen and seconded by Jessica Peterson White to adjourn the meeting. Motion carried.	Closed.