

MEETING MINUTES RECORD

Meeting: Board of Directors

Date: April 26, 2018 Location: Conference Center Start time: 6:30 pm Adjourn time: 9:00 p.m.

Members present: Charlie Kyte, CC Linstroth, Charlie Mandile, Michelle Muench, Steve O'Neill, Rhonda Pownell, Fred Rogers, Pete Sandberg

Members excused: Lynn Clayton

Members absent:

Staff Present: Randy Reister, MD, Steve Underdahl, Scott Edin, Jeff Meland, Jerry Ehn, Vicki Stevens, Laura Peterson, Bobbi Jenkins (Recorder)

Others present: Matt Anderson (MHA), Ben Martig (City), David Emery (LWV)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
1. Call to Order and Approval of the Agenda	The meeting was called to order by Charlie Mandile at 6:30 p.m.	A motion was made by Rhonda Pownell and seconded by Fred Rogers to call the meeting to order and approve the agenda as presented. Motion carried.	Closed.
2. Consent Agenda	Supporting documentation was included in the packet for all items on the Consent agenda: Meeting Minutes: <ul style="list-style-type: none"> • 03/22/18 Board Meeting • 03/22/18 Quality Committee • 03/22/18 Budget & Finance Committee • 03/19/18 Governance & Planning Committee Medical Staff Credentialing Policies: <ul style="list-style-type: none"> • Confidentiality of Medical Staff Files • Medical Credentialing 	A motion was made by Steve O'Neill and seconded by Fred Rogers to approve the Consent agenda as presented. Motion carried.	Closed.
3. Reports			
• Hospital Chief of Staff Report	Dr. Randy Reister reported on the following: <ul style="list-style-type: none"> • We have two new providers starting soon. Have experimented with staffing models for the hospitalist program over the last couple of years and feel the current model is working well. • A fourth OB/GYN physician is starting in early May. • The Express Care clinic is now open in downtown Northfield. 	Information only.	Closed.
✓ Motion to Approve	Dr. Reister presented the following applications for approval from the	A motion was made by Charlie Kyte and	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution																																																																									
<p>Applications for Medical Staff Membership/ Privileges</p>	<p>Credentials Committee and Medical Executive Committee:</p> <p><u>Appointments:</u></p> <table border="1" data-bbox="386 254 919 625"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3948</td> <td>Internal Medicine</td> <td>Active</td> </tr> <tr> <td>3945</td> <td>Internal Medicine</td> <td>Affiliate</td> </tr> <tr> <td>3943</td> <td>OB/GYN</td> <td>Active</td> </tr> <tr> <td>3949</td> <td>Plastic Surgery</td> <td>Active</td> </tr> <tr> <td>3950</td> <td>Mental Health</td> <td>AH:I</td> </tr> </tbody> </table> <p><u>Reappointments</u></p> <table border="1" data-bbox="386 667 919 1115"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>7178</td> <td>Pathology</td> <td>Affiliate</td> </tr> <tr> <td>7166</td> <td>Family Medicine</td> <td>Active</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>3844</td> <td>PA</td> <td>AH:D</td> </tr> <tr> <td>3797</td> <td>OB/GYN</td> <td>Affiliate</td> </tr> </tbody> </table> <p><u>Provisional Status</u></p> <table border="1" data-bbox="386 1157 932 1367"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Adv</u></th> <th><u>Ext</u></th> </tr> </thead> <tbody> <tr> <td>3902</td> <td>Teleradiology</td> <td>X</td> <td></td> </tr> <tr> <td>3910</td> <td>IM? Cardiology</td> <td>X</td> <td></td> </tr> <tr> <td>3906</td> <td>Mental Health</td> <td></td> <td>X</td> </tr> </tbody> </table> <p><u>No Action Required</u></p> <p><u>Voluntary Resignations</u></p> <table border="1" data-bbox="386 1451 932 1787"> <thead> <tr> <th><u>Prac #</u></th> <th><u>Privilege</u></th> <th><u>Category</u></th> </tr> </thead> <tbody> <tr> <td>3730</td> <td>Teleradiology</td> <td>AH:I</td> </tr> <tr> <td>3921</td> <td>Mental Health</td> <td>AH:I</td> </tr> <tr> <td>3915</td> <td>Mental Health</td> <td>AH:I</td> </tr> <tr> <td>3766</td> <td>Oral Surgery Assistant</td> <td>AH:D</td> </tr> <tr> <td>3880</td> <td>Mental Health</td> <td>AH:I</td> </tr> </tbody> </table>	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>	3948	Internal Medicine	Active	3945	Internal Medicine	Affiliate	3943	OB/GYN	Active	3949	Plastic Surgery	Active	3950	Mental Health	AH:I	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>	7178	Pathology	Affiliate	7166	Family Medicine	Active	2622	Teleradiology	Telemedicine	2623	Teleradiology	Telemedicine	3844	PA	AH:D	3797	OB/GYN	Affiliate	<u>Prac #</u>	<u>Privilege</u>	<u>Adv</u>	<u>Ext</u>	3902	Teleradiology	X		3910	IM? Cardiology	X		3906	Mental Health		X	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>	3730	Teleradiology	AH:I	3921	Mental Health	AH:I	3915	Mental Health	AH:I	3766	Oral Surgery Assistant	AH:D	3880	Mental Health	AH:I	<p>seconded by Michelle Muench, MD to accept the recommendations from the Credentials Committee and the Medical Executive Committee on the appointments, reappointments and advancement and extension of provisional status. Motion carried.</p>	
<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>																																																																										
3948	Internal Medicine	Active																																																																										
3945	Internal Medicine	Affiliate																																																																										
3943	OB/GYN	Active																																																																										
3949	Plastic Surgery	Active																																																																										
3950	Mental Health	AH:I																																																																										
<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>																																																																										
7178	Pathology	Affiliate																																																																										
7166	Family Medicine	Active																																																																										
2622	Teleradiology	Telemedicine																																																																										
2623	Teleradiology	Telemedicine																																																																										
3844	PA	AH:D																																																																										
3797	OB/GYN	Affiliate																																																																										
<u>Prac #</u>	<u>Privilege</u>	<u>Adv</u>	<u>Ext</u>																																																																									
3902	Teleradiology	X																																																																										
3910	IM? Cardiology	X																																																																										
3906	Mental Health		X																																																																									
<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>																																																																										
3730	Teleradiology	AH:I																																																																										
3921	Mental Health	AH:I																																																																										
3915	Mental Health	AH:I																																																																										
3766	Oral Surgery Assistant	AH:D																																																																										
3880	Mental Health	AH:I																																																																										
<ul style="list-style-type: none"> CMO Report 	<p>Dr. Jeff Meland reported on the following:</p>	<p>Information only.</p>	<p>Closed.</p>																																																																									

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<ul style="list-style-type: none"> Working on a process to study documentation improvement with providers and coders to ensure coding accurately reflects the work that was done, and proper reimbursement. We are utilizing a consultant to work with the providers and staff beginning with the emergency department. It will be rolled out to other departments in the next few months. The Clinic Executive Committee (CEC) meets regularly and includes clinic physician leaders. They are currently talking about strategy, how to grow and expand their areas, what support is needed, etc. This group is very engaged. Dr. Meland attends Minnesota Hospital Association's Chief Medical Officer (CMO) meetings, which includes CMOs from all over the state. They recently did a survey of physicians related to physician burnout. NH+C scores were low compared to both others in the state and nationally. Recently implemented a health information management specialist who works with providers to help them be more efficient. It has been well accepted by the providers. 		
4. Big Question	What does the healthcare landscape look like		
<ul style="list-style-type: none"> Environmental Scan 	<p>Matt Anderson, Minnesota Hospital Association's senior vice president of policy and chief strategy officer, presented an environmental scan to help prepare the board for the upcoming planning retreat on May 4.</p> <p>Matt reviewed state health care policy, noteworthy trends and projections, and forecasts (copy of slides included in the packet).</p> <p>The board inquired on what direction Matt thinks healthcare will go. He responded that in his opinion, he thinks it will move to more capitated payments, or shift to a volume based business model. He suggested that we be ready for both.</p>	Information only.	Contact Matt with questions.
5. Presentations/ Discussion/ Action Items			

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> City of Northfield Orientation & Strategic Plan/Work Plan 	<p>Ben Martig and Mayor Rhonda Pownell reviewed the City of Northfield’s orientation for new board members and refresher course for experienced members (copy of slides included in the packet). The objectives are:</p> <ul style="list-style-type: none"> Review key documents of the city and the applicable hospital enabling provisions. Understand the role in supporting the city Consider factors that influence the ability to make consistent, reasoned decisions that support the city’s strategic vision Articulate norms and behaviors that are valued to successfully lead and achieve community goals. <p>They reviewed key documents, and hospital board and city roles.</p>	Information only.	Closed.
<ul style="list-style-type: none"> Compliance 101 	<p>Laura Peterson, Compliance Officer/ Inhouse Legal Counsel, presented the first of a series of compliance sessions for the board (copy of slides included in the packet).</p> <p>The Office of Inspector General is the federal agency that investigates Medicare fraud. The Department of Justice then prosecutes the fraud cases. \$60 billion is lost to Medicare fraud annually. Laura reviewed the process by which Medicare claims are paid, and how relatively ineffective “pay and chase” schemes are at recovering government money. She also reviewed the City Charter (chapter 14 related to hospitals), State Statutes, the board’s duties, and laws related to fraud, including False Claims Act, Stark Law, Anti-Kickback (self -referral), and the OIG exclusion authority.</p> <p>The government provides guidance to boards, and has a portal to help better understand the laws.</p> <p>The Board questioned whether there are high alert items related to what the OIG is looking for. Laura responded that the OIG previously published a work plan, but it was discontinued last year. They do provide a worklist of what they are investigating and continually add to it. NH+C Compliance Committee reviews this list and does audits to ensure we are</p>	Questions should be directed to Laura Peterson.	Continue to give regular updates to the board.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p>in compliance. Laura will review some of this information in the next compliance update for the board.</p>		
<ul style="list-style-type: none"> City/Hospital Governance Committee 	<p>Mayor Rhonda Pownell presented a proposal for a City/Hospital Governance Committee to be formed to explore best practice around governance models/practices for a stronger working relationship between the hospital and the city (document included in the packet). This recommendation came out of joint meetings between the city and the hospital, including Mayor Rhonda Pownell, Ben Martig, Brad Ness from the city, and Steve Underdahl and Charlie Mandile from NH+C.</p> <p>The group would meet monthly and develop findings and recommendations within 6 months. Additional or special meetings may be called as appropriate. It would include six people; three from the hospital board (including the board chair) and three from the city (including the mayor).</p> <p>The board voiced concern over the language in the document under deliverables related to authority. It was suggested that another bullet be added to ensure good understanding of authority. It was also suggested that there be some reference to the hospital bylaws and articles of incorporation in addition to the City Charter.</p> <p>The board also questioned the need for the members of this committee to be appointed by the Mayor and confirmed by the City Council vs agreeing on a group and meeting as an ad-hoc committee?</p> <p>Rhonda pointed out that this would be a city commission and the charter requires the mayor and the city council to approve the members. As a city commission, minutes would be created that would be easily accessible in the future.</p> <p>The board did not feel comfortable approving the formation of this committee this evening as they would like to stick to the (two-step approval process</p> <p>Consensus of the group after discussion: Add a fourth bullet under deliverables related to authority, and change the</p>	<p>Ben Martig and Steve Underdahl will revise the document based on feedback from the board this evening.</p>	<p>Bring back for final approval in May.</p>

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p>language in the last paragraph under "Timeline and Structure" from "in consultation with" to a stronger statement.</p> <p>It was also noted that the purpose of the group should be clear so there is no misinterpretation.</p>		
6. Executive and Committee Reports			
<ul style="list-style-type: none"> CEO Report 	<p>Steve Underdahl reported on the following:</p> <p><u>Strategic:</u></p> <ul style="list-style-type: none"> Continued discussions/discovery with OMC regarding an EHR. Exploring options for leveraging the current technology with the addition of customer-facing middleware and other tools. To be discussed at the May 4th board retreat. The first ACO board meeting with our new cohort was held. The ACO name is Mountlake. Steve Underdahl is the Board Chair and Scott Edin is the Secretary/Treasurer. Developed and shared language regarding PERA with Senator Draheim's staff regarding a new bill that would new hires, within municipal hospitals, to move to a defined contribution pension, while at the same time allowing employees that are already vested to remain in the plan. Continue to seek feedback from other public medical centers that participate in PERA. Express Care is up and running in downtown Northfield. Just hired a second mid-level provider for the clinic. Regular clinic hours will begin soon. <p><u>Operations:</u></p> <ul style="list-style-type: none"> New robust analysis tools are now available from MHA and 3M that utilize public sector commercial and payer data. NH+C had relatively strong financial performance in March. Early results of our rebasing efforts are having a positive impact. Have retained Wipfli & Associates to provide coding education and assistance to our provider groups and 	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p>coding staff. Started with the emergency department staff and will be rolling out to other departments in the next few months.</p> <ul style="list-style-type: none"> The emergency department recently surveyed by the Trauma Registry team to assess our status as a Level IV Trauma Center. Outstanding feedback was received from the survey team. Emergency department and quality staff were commended for an excellent job. Rebasing submissions from departments are complete. The review assessment and prioritization will be completed by the end of June. <p><u>Policy:</u></p> <ul style="list-style-type: none"> Walmart is looking to acquire Humana, which is one of the largest insurance companies in the country with a market value of \$37 billion. Walmart will have a full healthcare portfolio with pharmacies, retail clinics and a major insurance company. UnitedHealth Group's profits for Q1 was \$2.84 billion, which is up 31% from the last year. Price transparency Bill is expected to become law. 		
<ul style="list-style-type: none"> Financial Report 	<p>Scott Edin presented the March financial highlights (copy of financial and highlights were included in the board packet).</p> <p>March Key Drivers:</p> <ul style="list-style-type: none"> Hospice days were 80% over budget Home health visits were 6% over budget Rehab services were 4% over budget Surgeries were 12% under budget Work RVUs were 9% under budget Births were 8% under budget ED visits were 7% under budget <p>March financial outcomes:</p> <ul style="list-style-type: none"> Net operating revenues were \$192K under budget Operating expenses were \$237K under budget Net operating income was \$292K (\$45K over the budgeted income of \$247K) <p>Scott noted that tax refunds have a positive impact due to revenue recapture of for delinquent balances. We are also seeing a reduction in supply costs</p>	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	indicating that our rebasing efforts are showing an impact.		
<ul style="list-style-type: none"> Governance & Planning Committee Report 	The Governance & Planning Committee met tonight before the board meeting and received a brief contractual update from Steve Underdahl, and finalized work on the CEO evaluation in preparation for the board's Closed Session this evening.	Information only.	Closed.
<ul style="list-style-type: none"> Quality Dashboard 	The Quality Committee met in March and reviewed the quality dashboard report. The dashboard was included in the packet for the meeting this evening. It was suggested that the board devote time at a future meeting for a formal presentation and engage conversation related to the dashboard. Charlie Mandile commented that the next step for the committee is to crosswalk the dashboard with the updated strategic plan following the retreat. He suggested that we wait to present to the full board until after this is done.	Present quality dashboard to the full board after it is updated with the strategic plan.	Closed.
7. Roundtable, Announcements and Questions			
<ul style="list-style-type: none"> Roundtable 	There were no roundtable items.	None.	Closed.
<ul style="list-style-type: none"> Board Retreat Preparation 	Steve Underdahl reported on the following: <ul style="list-style-type: none"> An article titled <u>Evolving Health Landscape</u> was included in the board packet for board members in preparation for the retreat next week. A note-taking document for the board to use at the retreat is available for board members to pick up after the meeting. 	Information only.	Closed.
8. Pending Items	No pending items.	None.	Closed.
9. Closed Session	The Board went into closed session for the annual evaluation of the performance of NH+C President/CEO Steve Underdahl (pursuant to Minn. Stat 13D.05, Subd.3(a))	A motion was made at 9:00 p.m. by Fred Rogers and seconded by Pete Sandberg to go into Closed Session. Motion carried.	Closed.
10. Adjourn	The meeting was adjourned at 10:30 p.m.	A motion was made by Steve O'Neil and seconded by Michelle	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
		Muench, MD to adjourn the meeting.	