

MEETING MINUTES RECORD

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

Date: July 29, 2021

Location: Virtual Meeting

Start time: 5:14 pm

Adjourn time: 6:52 pm

Board Members:

- Fred Rogers, Board Chair
- Sarah Carlsen, Vice-Chair
- CC Linstroth
- Charlie Mandile
- Jessica Peterson White
- Bob Shepley, MD
- Rick Estenson

Staff:

- Steve Underdahl, CEO
- Jerry Ehn, COO
- Jeff Meland, MD., CMO
- Monty Seper
- Scott Edin, CFO
- Tammy Hayes, CNE
- Betsy Spethman, Director of Community Relations
- Kelly Velander (Recorder)
- Jen Lind

Others:

- Rhonda Pownell, Mayor
- Ben Martig, City Administrator
- Teresa Knoedler, Legal Counsel

- David Emery, LWV
- Brad Ness
- Michelle V

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> • Call to Order and Approval of the Agenda 	<p>The board meeting was called to order by Fred Rogers at 5:14 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>A closed session will follow the open meeting this evening pursuant to Minn. Stat. 144.581, subd. 5 to discuss Marketing activity related to the hospital's competitive position with other health care providers that offer similar services.</p> <p>Items on the consent agenda (available on the portal):</p> <ul style="list-style-type: none"> • Meeting minutes (approve) <ul style="list-style-type: none"> ✓ Board Meeting – 06/24/21 • Meeting minutes (accepted) <ul style="list-style-type: none"> ✓ Quality Board Committee-6/16/21 ✓ Community Relations Committee-5/25/21 • Annual report of Government Data Practices Act policy (approve) 	<p>A motion was made by CC Linstroth and seconded by Charlie Mandile to approve the regular and consent agendas as presented. Motion carried.</p>	<p>Closed.</p>

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution																																																
<ul style="list-style-type: none"> • Reports 																																																			
1. Hospital Chief of Staff Report		No updates provided.	Closed																																																
<ul style="list-style-type: none"> • Approval of Applications for Medical Staff Membership/ Privileges 	<p>Dr. Monty Seper presented the medical staff applications for membership and privileges. There were no issues with any of the medical staff files presented.</p> <p><u>Appointments</u></p> <table border="1" data-bbox="378 554 935 644"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>None</td> <td></td> <td></td> </tr> </tbody> </table> <p><u>Reappointments</u></p> <table border="1" data-bbox="378 726 935 1308"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>3998</td> <td>AH:D</td> <td>PA-Radiation Oncology</td> </tr> <tr> <td>3795</td> <td>Active</td> <td>Urology</td> </tr> <tr> <td>7163</td> <td>Active</td> <td>Internal Medicine</td> </tr> <tr> <td>4000</td> <td>Affiliate</td> <td>Radiation Oncology</td> </tr> <tr> <td>3988</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3990</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3986</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>4004</td> <td>Active</td> <td>Internal Medicine</td> </tr> <tr> <td>3992</td> <td>AH:I</td> <td>NP- Neonatology</td> </tr> <tr> <td>3454</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3749</td> <td>Active</td> <td>Family Medicine with OB</td> </tr> <tr> <td>3997</td> <td>Active</td> <td>Internal Medicine</td> </tr> <tr> <td>3657</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> </tbody> </table>	Prac #	Category	Privilege	None			Prac #	Category	Privilege	3998	AH:D	PA-Radiation Oncology	3795	Active	Urology	7163	Active	Internal Medicine	4000	Affiliate	Radiation Oncology	3988	Telemedicine	Teleradiology	3990	Telemedicine	Teleradiology	3986	Telemedicine	Teleradiology	4004	Active	Internal Medicine	3992	AH:I	NP- Neonatology	3454	Telemedicine	Teleradiology	3749	Active	Family Medicine with OB	3997	Active	Internal Medicine	3657	Telemedicine	Teleradiology	<p>A motion was made by Rick Estenson and seconded by CC Linstroth to accept the recommendations from the Medical Executive Committee as presented. Motion carried.</p>	Closed
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<ul style="list-style-type: none"> • Presentations/ Discussion / Action Items 																																																			
1. Annual Report on MN Attorney General Agreement on Hospital's on Debt Collections	Scott Edin presented the Annual Report on MN Attorney General Agreement on Hospital Debt Collections	Information only.	Closed.																																																
2. Kenyon Clinic Lease	<p>Steve Underdahl presented a status of the Kenyon Clinic proposed lease agreement and the action steps and approvals needed.</p> <p>The final building assessment has been completed. A 2-year lease plus an option for an addition for two additional terms has been negotiated at an approximate price of \$44, 600 a year.</p>	<p>A motion was made by CC Linstroth and seconded by Rick Estenson to approve moving forward with the lease of the Kenyon Clinic building as presented. Motion carried.</p>	<p>Next steps: The City Council will review and provide action at the August 2nd meeting.</p>																																																

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Executive and Committee Reports			
<ul style="list-style-type: none"> CEO Report 	<p>Steve Underdahl, CEO, reported on the following:</p> <p><u>COVID-19 Update:</u></p> <ul style="list-style-type: none"> Delta variant and the unvaccinated are creating an environment for a peak surge predicted to occur in October. Uptick in COVID-19 patients occurring after weeks without any hospitalized COVID-19 patients. Our long-term care facility has been closed for the last few weeks due to staff testing positive for COVID-19 recently. This can present difficulty for families and staff. Current vaccinated staff rate is approximately 80%. NH+C is actively working on a policy that will address an approach to those unvaccinated employees, as well as new hires. Requirements to be vaccinated for both COVID and Influenza will be central to this policy. Concerns around recruitment and retention as well as the impact this change of policy might have on financials and employee morale have been taken into consideration. <p><u>Strategic update:</u></p> <ul style="list-style-type: none"> Work continues in developing a new framework for a well-balanced workforce by exploring distance options, benefit structures, talent acquisition and retention. Participation in a large group Accountable Care Organization (ACO) continues to grow our population health acumen. <p><u>Operations update:</u></p> <ul style="list-style-type: none"> Good volumes and financial results for June. Both the Birth Center and Wound Care program are exceeding projections in a significant way. <p><u>Policy Update:</u></p> <ul style="list-style-type: none"> Infrastructure bill is still in motion and will have several components that impact healthcare directly or indirectly. Senator Klobuchar introduced a bill that addresses vaccination misinformation. 	Information only.	Closed.
<ul style="list-style-type: none"> Financial Report 	<p>Scott Edin, CFO, presented the June financial report (slides available on portal)</p> <p><u>June Key Drivers</u></p> <ul style="list-style-type: none"> Inpatient Admits were 22 under forecast Emergency Dept visits were 17% over forecast 	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<ul style="list-style-type: none"> • Surgery procedures were 16% over forecast <p><u>Financial Outcomes</u></p> <ul style="list-style-type: none"> • Net Operating Revenues were \$720K over forecast • Gross Revenues were \$2.9M over forecast • Deductions were \$2.3M over forecast • Bad Debt was \$145K under forecast <p><u>Financial Notes</u></p> <ul style="list-style-type: none"> • Recognized \$334K of deferred COVID grants <ul style="list-style-type: none"> ◦ \$2.5M YTD in 2021 – none remaining • Investment gains were \$387K for the month • Purchased services of \$10K to Mayo for COVID-19 testing – Offset by \$60k of analyzer tests from new machine <ul style="list-style-type: none"> ◦ Supply Expense instead of purchased services • \$323k of additional one-time expenses related to EHR upgrade 		
<ul style="list-style-type: none"> • Governance and Planning Committee Verbal Report 	<p>Fred Rogers reported the following</p> <ul style="list-style-type: none"> • Reviewed strategic planning and board member appointment process. 	Information only.	Closed.
<ul style="list-style-type: none"> • Budget and Finance Committee Verbal Report 	<p>Fred Rogers reported the following</p> <ul style="list-style-type: none"> • Reviewed Annual report on MN Attorney General Agreement on Hospital's Deb Collection in its entirety. • Reviewed financial statements and received investment updates. 	Information only.	Closed.
<ul style="list-style-type: none"> • Roundtable, Announcements and Questions 	<ul style="list-style-type: none"> • Mayor, Rhonda Pownell, shared an update on the process of appointing/re-appointments of board members. With the recent changes taking place in the Board of Commissions with regards to appointment of board members, she anticipants having 5 board members set for appointments in October rather than the normal process that occurs in January. There are three current board members up for re-appointment, as well as adding two more new members, setting the board at a 9-member board committee. 	Information only.	Closed.
<ul style="list-style-type: none"> • Closed Session 	<p>Prior to the start of the Closed Session, everyone was excused from the meeting except board members, and the administrative staff. At 6:32 pm the Board went into Closed Session pursuant to Minn. Stat. 144.581, subd. 5 to discuss Marketing activity related to the hospital's competitive position with other health care providers that offer similar services.</p>		Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> Adjourn 	The meeting was adjourned at 6:52 pm.	Motion made by Rick Estenson and seconded by Robert Shepley to adjourn meeting. Motion carried.	Closed.