

# MEETING MINUTES RECORD

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

Date: September 30,2021 Location: Virtual Meeting

Start time: 5:06 pm Adjourn time: 7:06 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)
- Vern Lougheed

**Others:**

- Rhonda Pownell, Mayor
- Ben Martig, City Administrator
- Teresa Knoedler, Legal Counsel
- David Emery, LWV
- Brad Ness

**Guests:**

Sandy Mulford, Keri Rateliff, Brian Edwards

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> <li>• Call to Order and Approval of the Agenda</li> </ul>	<p>The board meeting was called to order by Fred Rogers at 5:06 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"> <li>• Meeting minutes (approve)               <ul style="list-style-type: none"> <li>✓ Board Meeting – 08/26/21</li> </ul> </li> <li>• Meeting minutes (accepted)               <ul style="list-style-type: none"> <li>✓ Budget and Finance Committee-9/9/21</li> <li>✓ Community Relations Committee-8/24/21</li> </ul> </li> <li>• Quality &amp; Performance Improvement Policy (approve)</li> </ul>	<p>A motion was made by CC Linstroth and seconded by Jessica Peterson White to approve the regular and consent agendas as presented. Motion carried.</p>	<p>Closed.</p>

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<ul style="list-style-type: none"> <li>• Reports</li> </ul>																																																																					
1. Hospital Chief of Staff Report		No updates provided.	Closed																																																																		
<ul style="list-style-type: none"> <li>• Approval of Applications for Medical Staff Membership/ Privileges</li> </ul>	<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="378 514 935 707"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>4083</td> <td>Locum</td> <td>OB/GYN</td> </tr> <tr> <td>4094</td> <td>Locum</td> <td>OB/GYN</td> </tr> <tr> <td>4089</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>3818</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> </tbody> </table> <p><u>Reappointments</u></p> <table border="1" data-bbox="378 827 935 1308"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>3927</td> <td>Active</td> <td>Anesthesia</td> </tr> <tr> <td>3884</td> <td>AH:D</td> <td>Dental Assistant</td> </tr> <tr> <td>3028</td> <td>Active</td> <td>General Surgery</td> </tr> <tr> <td>4005</td> <td>Active</td> <td>FM with OB</td> </tr> <tr> <td>3503</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>7244</td> <td>Affiliate</td> <td>Radiology</td> </tr> <tr> <td>3755</td> <td>Affiliate</td> <td>IM/ Cardiology</td> </tr> <tr> <td>3799</td> <td>Affiliate</td> <td>Oral Surgery</td> </tr> <tr> <td>7450</td> <td>Affiliate</td> <td>Oral Surgery</td> </tr> <tr> <td>3924</td> <td>AH:I</td> <td>NP</td> </tr> <tr> <td>3923</td> <td>AH:I</td> <td>Behavioral Health</td> </tr> <tr> <td>3757</td> <td>H&amp;P</td> <td>H&amp;P</td> </tr> </tbody> </table> <p><u>Provisional Status</u></p> <table border="1" data-bbox="378 1396 935 1551"> <thead> <tr> <th>Prac #</th> <th>Category</th> <th>Privilege</th> </tr> </thead> <tbody> <tr> <td>4043</td> <td>AH:D</td> <td>Oncology PA</td> </tr> <tr> <td>4041</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> <tr> <td>4036</td> <td>Telemedicine</td> <td>Teleradiology</td> </tr> </tbody> </table>	Prac #	Category	Privilege	4083	Locum	OB/GYN	4094	Locum	OB/GYN	4089	Telemedicine	Teleradiology	3818	AH:I	Behavioral Health	Prac #	Category	Privilege	3927	Active	Anesthesia	3884	AH:D	Dental Assistant	3028	Active	General Surgery	4005	Active	FM with OB	3503	Telemedicine	Teleradiology	7244	Affiliate	Radiology	3755	Affiliate	IM/ Cardiology	3799	Affiliate	Oral Surgery	7450	Affiliate	Oral Surgery	3924	AH:I	NP	3923	AH:I	Behavioral Health	3757	H&P	H&P	Prac #	Category	Privilege	4043	AH:D	Oncology PA	4041	Telemedicine	Teleradiology	4036	Telemedicine	Teleradiology	<p>A motion was made by Sarah Carlsen and seconded by Jessica Peterson White 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"> <li>• Presentations/ Discussion / Action Items</li> </ul>																																																																					
1. Re-Engineering Project Updates	<p>Sandy Mulford and Keri Rateliff presented the NH+C Re-Engineering project updates. The following highlights were shared</p> <ul style="list-style-type: none"> <li>• Orthopedic Clinic progress reflects improvements in service workflow, scheduling and public awareness. 2021 trendline shows both visits and RVU's to be going up.</li> </ul>	Information only.	Closed.																																																																		

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<ul style="list-style-type: none"> <li>The Farmington Clinic has had great success by expanding services, adding morning hours and a respiratory clinic.</li> <li>The Women's Health Center has focused on improving work processes, scheduling and customer access. Visits and RVU's continue to trend upward.</li> </ul>		
2. Capital Request: Imaging Systems	<p>Jerry Ehn presented the capital request for radiology systems for Farmington and Lonsdale Clinics.</p> <ul style="list-style-type: none"> <li>Current imaging equipment at the Farmington and Lonsdale clinics are the needing to update.</li> <li>To improve patient experience by having procedures be more comfortable, along with providing a reduced radiation exposure, the transition from CR (computed radiography) to DR (direct radiography) equipment is being suggested for replacement.</li> <li>The capital budget for 2021 included the replacement cost of both Farmington and Lonsdale clinics. Evaluated bundling the 2021 imaging purchase with the planned 2022 imaging replacement needs. Doing so would save \$57,000 over purchasing it separately.</li> <li>Recommend purchase of replacement purchase will total \$310,000.</li> </ul>	A motion was made by Rick Estenson and seconded by Sarah Carlsen to approve the capital expense for imaging equipment for the Farmington and Lonsdale clinics as presented. Motion carried.	Closed.
3. Northfield Urgent Care Opportunity	<p>Steve Underdahl presented a proposal that included data to support an NH+C Urgent Care program in Northfield.</p> <ul style="list-style-type: none"> <li>Mid-summer NH+C learned that the local, independently owned Urgent Care had closed. It was located at 2014 Jefferson Road in Northfield.</li> <li>With the potential of competitors obtaining this location and practice in our market, NH+C secured a short-term option on the leased space in order to provide time to vet this opportunity.</li> <li>After completing a market review, facility assessment and financial analysis, it was determined that it would be in NH+C's best interest add a local, full service Urgent Care to the continuum of care within our core market.</li> <li>Recommendation was made to move forward with the final negotiations and approval steps to secure this facility and operate a new NH+C Urgent Care in Northfield.</li> </ul>	A motion was made by CC Linstroth and seconded by Rick Estenson to move forward with final negotiations and steps to secure the facility and operate a NH+C Urgent Care in Northfield as presented. Motion carried.	Next steps are to finalize the lease negotiations and to then have the lease approved from NH+C Board and City of Northfield.
Executive and Committee Reports			
<ul style="list-style-type: none"> <li>CEO Report</li> </ul>	Steve Underdahl, CEO, reported on the following:	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<p><u>COVID-19 Update:</u></p> <ul style="list-style-type: none"> <li>• The past several weeks has shown a high demand for both COVID and non-COVID patients.</li> <li>• Tertiary care centers are stressed or even full and as a result NH+C has provided care to individuals that would normally been transferred.</li> <li>• Beds and staff are in short supply at both large and small hospitals.</li> <li>• NH+C employee vaccination mandate deadline is nearing. The applications for exemptions for medical and religious reasons have been reviewed. The appeal process is taking place.</li> <li>• Loss of some staff is anticipated, and contingency plans are in place.</li> </ul> <p><u>Strategic update:</u></p> <ul style="list-style-type: none"> <li>• EHR implementation has been postponed 6 months due to continuing pandemic pressures that has affected both patient and staffing.</li> <li>• The Kenyon Clinic progress continues to favor an October 18<sup>th</sup> opening.</li> </ul> <p><u>Operations update:</u></p> <ul style="list-style-type: none"> <li>• Volumes and related financials are positive for August and promising for September.</li> <li>• Growing expenses continue around labor and supply chain.</li> </ul> <p><u>Policy/Outreach</u></p> <ul style="list-style-type: none"> <li>• NH+C continues to share facts and encourage vaccinations.</li> <li>• Steve Underdahl will begin his term with MHA as the Chairman of the Board in January 2022.</li> </ul>		
<ul style="list-style-type: none"> <li>• Financial Report</li> </ul>	<p>Scott Edin, CFO, presented the July financial report</p> <p><u>August Key Drivers</u></p> <ul style="list-style-type: none"> <li>• Inpatient Admits were 21% over forecast</li> <li>• Emergency Dept visits were 8% over forecast</li> <li>• Surgery procedures were 2% under forecast</li> </ul> <p><u>Financial Outcomes</u></p> <ul style="list-style-type: none"> <li>• Net Operating Revenues were \$323K over forecast</li> <li>• Gross Revenues were \$2.2M over forecast</li> <li>• Deductions were \$2.0M over forecast</li> <li>• Bad Debt was \$133K under forecast</li> </ul> <p><u>Financial Notes</u></p> <ul style="list-style-type: none"> <li>• Recognized \$0 of deferred COVID grants <ul style="list-style-type: none"> <li>○ \$2.5M YTD in 2021 – none remaining</li> </ul> </li> </ul>	Information only.	Closed.

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
	<ul style="list-style-type: none"> <li>• Investment gains were \$521K for the month</li> <li>• Purchased services of \$70K to Mayo for COVID-19 testing</li> </ul>		
<ul style="list-style-type: none"> <li>• Quality Committee verbal report</li> </ul>	<ul style="list-style-type: none"> <li>• Sarah Carlsen shared that overall, the patient experience is doing well.</li> </ul>	Information only.	Closed.
<ul style="list-style-type: none"> <li>• Roundtable, Announcements and Questions</li> </ul>	<ul style="list-style-type: none"> <li>• Reminder for board members to sign up for their professional photos.</li> </ul>	Information only.	Closed.
<ul style="list-style-type: none"> <li>• Adjourn</li> </ul>	The meeting was adjourned at 7:06 pm.	Motion made by Rick Estenson and seconded by Sarah Carlsen to adjourn meeting. Motion carried.	Closed.