

MEETING MINUTES RECORD

Meeting: Board of Directors

Date: October 27, 2016 Location: Conference Center

Start time: 6:30 pm Adjourn time: 8:55 pm

Members present: Virginia Kaczmarek, Charles Kyte, CC Linstroth, Michelle Muench, MD, Bob Murray, Steve O'Neill, Jonathan Reppe, James Schlichting

Members excused: Charlie Mandile

Members absent:

Staff Present: (Attended all or a portion of the meeting) Steve Underdahl, Jerry Ehn, Scott Edin, Jeff Meland, MD, Betsy Spethmann, Ton Holt, MD, Vicki Stevens, Bobbi Jenkins (recorder)

Others present: David Emery (LWV), Mayor Dana Graham, Chris Rustad (MCHS)

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution																											
1. Open Meeting- Call to Order and Approval of the Agenda	The meeting was called to order by James Schlichting at 6:30 pm.	A motion was made by CC Linstroth and seconded by Charlie Kyte to approve the agenda as presented	Closed.																											
<ul style="list-style-type: none"> State that there is a Quorum, and announce members absent if any 	James Schlichting report that we have a quorum with six members present. Charlie Mandile is absent, and Michelle Muench, MD and Bob Murray are expected arrive later in the meeting.	Information only	Closed.																											
<ul style="list-style-type: none"> Request to remove items from Consent Agenda 	There were no requests to remove items from the Consent Agenda.	Information only.	Closed.																											
2. Reports																														
<ul style="list-style-type: none"> Hospital Chief of Staff Report 	No report.	Information only.	Closed.																											
<ul style="list-style-type: none"> Motion to Approve Applications for Medical Staff Membership/ Privileges 	Medical staff files were presented for approval: <u>Appointments</u> <table border="1" data-bbox="386 1360 938 1822"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>3885</td> <td>CRNA</td> <td>AH:I</td> </tr> <tr> <td>3154</td> <td>Oral Surgery Assistant</td> <td>AH:D</td> </tr> <tr> <td>3884</td> <td>Oral Surgery Assistant</td> <td>AH:D</td> </tr> <tr> <td>3890</td> <td>IM/Nephrology</td> <td>Affiliate</td> </tr> <tr> <td>3889</td> <td>IM/Nephrology</td> <td>Affiliate</td> </tr> <tr> <td>3892</td> <td>Nurse Practitioner</td> <td>AH:I</td> </tr> <tr> <td>3888</td> <td>Family Medicine</td> <td>Active</td> </tr> </tbody> </table> <u>Reappointments</u> <table border="1" data-bbox="386 1864 938 1932"> <thead> <tr> <th>Prac #</th> <th>Privilege</th> <th>Category</th> </tr> </thead> <tbody> </tbody> </table>	Prac #	Privilege	Category	3885	CRNA	AH:I	3154	Oral Surgery Assistant	AH:D	3884	Oral Surgery Assistant	AH:D	3890	IM/Nephrology	Affiliate	3889	IM/Nephrology	Affiliate	3892	Nurse Practitioner	AH:I	3888	Family Medicine	Active	Prac #	Privilege	Category	A motion was made by Steve O'Neill and seconded by Jonathan Reppe to approve the appointments, reappointments, and advancement and extension of provisional status as recommended by the Medical Executive Committee. Motion carried.	Closed.
Prac #	Privilege	Category																												
3885	CRNA	AH:I																												
3154	Oral Surgery Assistant	AH:D																												
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Issue/Problem	Discussion/Conclusions			Action	Follow-up/Resolution	
	3775	IM	Active			
	7206	H&P Only	AH:I			
	3599	Family Medicine	Active			
	3697	Pathology	Affiliate			
	7338	Family Medicine	Active			
	3322	CRNA	AH:H			
	2621	CRNA	AH:H			
	3698	Emergency Medicine	Active			
	<u>Expedited File</u>					
	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>			
	3294	Family Medicine	Refer & Follow			
	<u>Provisional Status</u>					
	<u>Prac #</u>	<u>Privilege</u>	<u>Adv.</u>			<u>Ext.</u>
	3809	CRNA	X			
	3796	OB/GYN	X			
	3805	Teleradiology	X			
	<u>No Action Required</u>					
	<u>Voluntary Resignations</u>					
	<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>			
	3874	Mental Health	AH:I			
<u>No Action Required</u>						
<u>Voluntary Resignation of Specific Privileges within Family Medicine Privileges</u>						
§						
<u>Prac #</u>	<u>Privilege</u>	<u>Category</u>				
7100	Newborn Care	Active				
• CMO Report	No report			None.	Closed.	
• FamilyHealth Clinic Medical Director Report	No report.			None.	Closed.	
• Allina Clinic Medical Director Report	No report.			None.	Closed.	

Issue/Problem	Discussion/Conclusions	Action	Follow-up/Resolution
<ul style="list-style-type: none"> • Mayo Report 	<p>Chris Rustad reported on the following:</p> <ul style="list-style-type: none"> • The NH&C and Mayo Clinic Joint Advisory Committee is meeting on October 28th in Northfield • Mayo Clinic Grand Round topics continue to go well and be received by the NH&C providers. • Mayo Clinic recently took delivery of a Beechcraft King Air 350C twin turbo prop driven jet engine plane. The plan compliments the existing Gold Cross ambulances and four Mayo One Helicopters that comprise the Mayo Clinic Medical Transport fleet. 	Information only.	Closed.
<ul style="list-style-type: none"> • City Business Update 	No report.	None.	Closed.
<ul style="list-style-type: none"> • CFO Report 			
<ul style="list-style-type: none"> ✓ September Financials 	<p>September patient revenues were \$94,000 over-budget, while deductions from revenue were \$204,000 under-budget. Operating expenses were \$286,000 over-budget. Operating income was \$175,000 vs. a budget of \$133,000 (year-to-date: 3.8% operating margin vs. (0.5%) budgeted).</p> <p>Key positive and negative volumes for September were reviewed, as well as day's cash on hand, payer mix and salary and benefits as % of net revenues.</p>	Information only.	Closed.
<ul style="list-style-type: none"> • CEO Report 	<p><u>Strategic</u></p> <ul style="list-style-type: none"> • Entering into year one of a three-year cycle for planning. Steve Underdahl proposed having incremental (30-minute) Board prep and environmental scanning reports at the beginning of upcoming regular session Board meetings to help prepare the Board for the spring strategic planning retreat. He suggested utilizing the services of Matt Anderson to assist. Matt Anderson is a consultant who previously worked for MHA. <p>The Board was supportive of the monthly reports. Comments made by the Board:</p> <ul style="list-style-type: none"> ✓ Sessions should be scheduled based on other business the Board has for each month so the meeting don't get too long. ✓ Would like to see the reports 15-20 minutes at the most. 	Information only.	Closed.

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	<ul style="list-style-type: none"> ✓ Consider lighter agendas in other areas to accommodate the reports, and so the meetings don't get too long. Consider skipping "Spotlight Reports" on the month Matt presents. ✓ Stick within a budget for this service. • A series of dashboards / performance metrics are available on our Intranet. We continue to work on refining. • Our new logo was released and is currently being rolled out. South metro and rural marketing strategies are underway. Naming convention are nearly ready. • Enhancement have been made in the Supply Chain Department. They are ahead of targets. The next step is an integrated computer system and automation around the process. Currently evaluating the technology investment. • Telemedicine for mental health triage and resource program in underway. Exploring tele-psychiatry with Olmstead Medical Center. The next step is EICU. • The final rule for Medicare Access & SHIP Reauthorization Act(MACRA) was released last week. This is a new rule that defines a quality scoring system for physicians with data collection beginning in 2017 and bonuses/ penalties applied in 2019. It replaces the physicians' sustainable growth rate (SGR). • Retail / urgent care options proforma will be discussed in Closed Session later this evening. • A need for reshaping Q4 priorities with upcoming orthopedic negotiations. This will be discussed in Closed Session later this evening. <p><u>Operations</u></p> <ul style="list-style-type: none"> • Employees will receive a gift of an article of clothing with our new logo as appreciation for their hard work. This was approved by the Board a few months ago and is now being rolled out with our new logo. • Mental health demands are stressing our system resulting in transfer of medical / surgical patients that we 		

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	<p>would normally keep. We are working on a variety of plans on our own, which may include remodeling the emergency department to include a safe place to keep mental health patients until they can be transferred to a facility that can help them.</p> <ul style="list-style-type: none"> • Currently recruiting for OB and primary care physicians, and mid-level practitioners. 		
<ul style="list-style-type: none"> • Governance & Planning Committee Report 	<p>James Schlichting reported on a meeting held earlier this afternoon, including himself, Charlie Mandile and Walt Flynn from Flynn & Associates regarding a revised CEO evaluation process. The Governance & Planning Committee met following this meeting. Walt presented to the information to the full committee. The Governance & Planning also discussed the following:</p> <ul style="list-style-type: none"> • Approved committee meeting minutes from the last 07/28/16 committee meeting. • Reviewed revisions to the hospital bylaws. The bylaws will be included in the November Board packet, with a vote at the December meeting. A special meeting of the Governance & Planning Committee will be scheduled in late November to finalize before including in the November Board packet. • Nomination of officers for 2017. A form will be sent to the Board to request committee assignment, as well as interest in Board leadership. • Walt Flynn is expected to attend the December Board meeting to present proposed CEO Evaluation process. The Board will vote at the January Board meeting. 	Information only.	Closed.
3. Consent Agenda	<p>Supporting documentation was included in the packet for items on the Consent agenda:</p> <p>Meeting Minutes:</p> <ul style="list-style-type: none"> • 09/29/16 Board Meeting • 09/29/16 Quality Assurance Committee • 09/29/16 Budget & Finance Committee • 2017 Board Meeting Schedule • Revised Psychiatry Privilege Form 	A motion was made by Steve O'Neill and seconded by Virginia Kaczmarek to approve the Board meeting minutes, accept the committee meeting minutes, and approve the 2017 Board Meeting Schedule and revised	Closed.

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		psychiatry privilege form. Motion carried.	
4. Presentations/ Discussion/ Action Items			
<ul style="list-style-type: none"> Process Improvement Update 	<p>Vicki Stevens, HR Executive and Clinical Operations Administrator, reported on the Process Improvement effort she led to assist in creating commonality for staff. It uses a common and consistent language and set of tools and resources to continually evaluate and improve process, workflow, quality, patient experience and financial results.</p> <p>Tools and resources include:</p> <ul style="list-style-type: none"> PDSA (Plan, Do, Study, Act) LEAN (focus on waste) Root Cause and 5 Why's 5S (Sort, Set, Shine Standardize & Sustain) Process Mapping / Flow Charting A3 problem solving Staff can be a process improvement consultant to help facilitate, define measures, etc. <p>Training will be provided to staff on PI methodologies. We will work to support Leaders and staff to utilize PI resources.</p> <p>The next steps are to:</p> <ul style="list-style-type: none"> Establish a multi-disciplinary steering team Coordinate and ensure training for leaders, super-users and staff Create structure to ensure individuals and teams have resources and knowledge for ongoing Pi projects <p>Timeframe:</p> <p>Q4, 2016</p> <ul style="list-style-type: none"> Steering committee finalize tools Define training and develop training calendar Define structure to utilize resources <p>Q1, 2017</p> <ul style="list-style-type: none"> Identify super-users Train leaders, super-users, staff <p>Ongoing</p> <ul style="list-style-type: none"> Track and sustain <p>Steve Underdahl commented that larger organizations have specialized teams to assist. As a smaller hospital, we have to define it differently.</p>	Information only.	Closed.

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5. Roundtable, Announcements and Questions	<p>James Schlichting reported on the following:</p> <ul style="list-style-type: none"> • At the Board meeting last month he reported that the Donations policy would go back to the Governance & Planning Committee for finalizing before coming to the Board for approval. The policy was actually discussed at the Community Relations Committee and will go back to that Committee to finalize in November before coming to the full Board for approval. • Reminded the Board to vote on November 8th. • Reminder that the November and December Board meetings are early due to the holidays. 	Information only.	Closed.
6. Pending Items	N/A	N/A	N/A
7. Complete Board Evaluation Form	The Board was reminded to complete their meeting evaluation form and return it to Bobbi Jenkins.	Information only.	Closed.
8. Closed Session	The Board went into Closed Session at 8:35 pm. The purpose of the Closed Session was to discuss marketing activity related to the hospital's competitive position with other health care providers that offer similar goods and services pursuant to Minn. Stat 144.581, subd. 5.	A motion was made by Steve O'Neill and seconded by Michelle Muench, MD to move into Closed Session. Motion carried.	Closed.
9. Open Session	The Board moved into Open Session at approximately 8:55 p.m. James Schlichting reported that the Board approved meeting minutes from the 09/29/16 Closed Session and the Board received updates in Urgent Care, ENT and an Ambulatory Surgery Center.	Information only.	Closed.
10. Adjourn	The meeting was adjourned at 8:55p.m.	A motion was made by Charlie Kyte and seconded by Virginia Kaczmarek to adjourn the meeting. Motion carried.	Closed.