

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic – Helen G. White Conference Center
Wednesday, August 23, 2017

Present: Margie Nelsen, Chairperson; John Lammert, Vice Chairperson; Blake Combellick, Secretary; Trustees: Susan Carlin, Laura Hulsebus, Roger Parras, MaryAnn Harty; George Rohrich, CEO; Lori Zook, CFO; Jackie Kimmet, Chief Human Resources Officer; Janelle Rauchman, Chief Quality Officer; Paula Meskan, Chief Nursing Officer; Stephanie Holden, Chief Marketing Officer; Todd Prafke, City Administrator; Samantha Pherson, Recorder.

Absent: Gary Swedberg, Schelli McCabe.

CALL TO ORDER

The regular meeting of the Hospital Commission was called to order at 12:31 p.m. by Chairperson Margie Nelsen.

APPROVAL OF AGENDA

The August 23, 2017 Agenda was reviewed.

ACTION: A motion was made by MaryAnn Harty to approve the August 23, 2017 agenda. The motion was seconded by Blake Combellick and carried with all members voting in favor.

APPROVAL OF MINUTES

The July 26, 2017 Hospital Commission Minutes were reviewed.

ACTION: A motion was made by John Lammert to approve the July 26, 2017 Hospital Commission Minutes. The motion was seconded by Susan Carlin and carried with all members voting in favor.

APPROVAL OF CONSENT AGENDA

The consent agenda includes the following:

- Acceptance of the August 16, 2017 Finance Committee Meeting Minutes.
- Acceptance of the August 16, 2017 Quality Committee Meeting Minutes.

ACTION: A motion was made by Blake Combellick to approve the consent agenda. The motion was seconded by Roger Parras and carried with all members voting in favor.

GENERAL VISITOR COMMENTS

Visitors: Charles Zieman, Mayor of Saint Peter; Dana Melius, Saint Peter Herald; John Albert, AHFD; Robert Christensen, MD.

CONTINUED

MEDICAL STAFF

Medical Staff Credentialing - A report from the Executive/Credentials Committee of the Medical Staff was presented for review. A recommendation was made by the Credentials Committee to approve medical staff membership and granting of privileges to the physicians and allied health professionals as listed on the report:

Initial Appointment to the Medical Staff:

Robert A. Kessler, MD	Courtesy /Telemedicine, IM/Infectious Disease
Laraine J. Klunder, CRNA	Courtesy Staff/Nurse Anesthetist
Tom D. Larson, MD	Courtesy Staff/Teleradiology
James D. Nack, DPM	Courtesy Staff/Podiatry
Brian S. Pepito, MD	Courtesy/Telemedicine, IM/Infectious Disease
Asma S. Syed, MD	Courtesy/Telemedicine, IM/Infectious Disease
Amanda J. Welke, CNP	Courtesy Staff/Family Medicine

Reappointment to the Medical Staff:

Alan P. Johnson, PA-C	Courtesy Staff/ Emergency Medicine
Timothy P. Kao, MD	Courtesy Staff/Ophthalmology
William D. Paige-Evans, LP	Courtesy Staff/Psychology
Damon D. Shearer, DO	Courtesy Staff/Teleradiology
Michele M. Whaylen, PA-C	Courtesy Staff/Emergency Medicine
Amin M. Yousuf, PA-C	Courtesy Staff/Emergency Medicine

Change in Category – Provisional to Full Membership:

Carla R. Goerish, MD	Courtesy Staff, OB/GYN
Richard H. Kim, MD	Courtesy Staff, Oral & Maxillofacial Surgery
Jeffrey E. Magnuson, MD	Courtesy Staff, Teleradiology
Fares Y. Masannat, MD	Courtesy, Telemedicine IM/Infectious Disease
Jawad Nazir, MD	Courtesy, Telemedicine IM/Infectious Disease
Laura E. Tilton, MD	Active Staff, IM/Hospitalist

Provisional Membership: None

Increase in Privileges: None

Change in Staff Category:

John F. Rotillie, MD	Active Staff/IM/Hospitalist
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Withdrawn from Medical Staff:

Daniel Dingman, CRNA	Courtesy-AHP/Nurse Anesthetist
Kenneth Dodd, MD	Courtesy/Emergency Medicine
Stephen Fridinger, DACBR	Courtesy/Teleradiology-Chiropractic
Martin Schularick, MD	Courtesy/Teleradiology

ACTION:

- 1) A motion was made by John Lammert to accept the recommendation of the Credentials Committee and grant appointment, reappointment or change in status for each of the practitioners listed above. The motion was seconded by Roger Parras and carried with all members voting in favor.
- 2) A motion was made by Susan Carlin to accept the recommendation of the Credentials Committee and grant clinical privileges to each of the practitioners as listed above as requested and approved by the Credentials Committee. The motion was seconded by Laura Hulsebus and carried with all members voting in favor.

CONTINUED

QUALITY COMMITTEE

The Quality Management Committee reviewed the minutes from the August 16, 2017 meeting. The Quality Graphs were reviewed by Janelle Rauchman. The graphs contain results from a number of measurable and reportable quality measures.

ADMINISTRATIVE REPORT

A. Executive Summary.

The written report submitted by George Rohrich was reviewed.

- River's Edge is showing a month-to-date bottom line for the month of July of approximately (\$571,000), versus a month-to-date budget of \$320,000. Year-to-date Actual is \$835,000 vs Year-to-date Budget \$1 M.
- July results show an increase of cash on hand of \$146,000 resulting in balance of \$11.02 million. The 2017 Year End Budget goal is \$11.98M.

B. 2018 Hospital Expansion Project Updates.

John Albert provided the Hospital Commission with an update on the expansion project. The schematic budget report was reviewed earlier in the month. There were items added that increased cost, and that the hospital determined were beneficial to the community.

The increase in cost is attributed to the expansion of the Emergency Room and Urgent Care department. The increase in cost would allow the emergency room and urgent care to share a space, an addition of a safe room for mental health patients, as well as an ambulance garage. There was discussion about whether to go forward with the expansion of this department or to shell out the area and finish it at a later date. The increase in cost would also mean that there would be an increase in funds that the hospital would need to contribute in order to keep the loan amount at the approved amount. The hospital would need to contribute \$5.15 Million to be able to keep the requested loan amount the same.

ACTION: A motion was made by John Lammert to accept the \$33.8 Million proposal that includes the finished Emergency Department into the 2018 Hospital Expansion Project with the condition that the Hospital will contribute \$5.15 Million. The motion was seconded by Roger Parras and carried with all members voting in favor.

C. Statistical & Strategic Plan Dashboards.

The statistical report for July, 2017, was reviewed. Of the 17 measured activities, 8 are green. The monthly strategic report was also reviewed.

FINANCIAL REPORT

A. July Financial Summary.

Lori Zook presented the financial reports for July. The month of July had a Net Operating Income of (\$520,941) and a year-to-date gain of \$1,181,887. Total Patient Revenue stands at \$4,167,341. Year-to-date Total Patient Revenue stands at \$37,604,834, over an YTD budget of \$33,019,128. July Net Patient Revenue stands at \$1,912,622 with a budget of \$2,909,693. Monthly Net Operating Revenue stands at \$1,924,163, versus a budget of \$2,924,359. Monthly Operating Expenses stands at \$2,455,104 over budget of \$2,607,675.

Year-to-date Gross Revenue is \$37,604,834 versus a budget of \$338,654,993 which is (\$1,050,159) under budget. Year-to-date Net Patient Revenue is \$17,726,058 versus a budget of \$19,083,204 or (\$1,357,146) under budget. Year-to-date Total Operating Expenses are \$18,933,539 versus a budget of \$18,693,929 or \$239,610 over budget.

The Check Review list was given to the Finance Committee and reviewed. The total amount for the month of July is \$1,594,727.48

B. Write-Off to Collection.

Community Care grants totaled \$21,960.31, covering 8 accounts. Presumptive community care grants totaled \$33,748.50 covering 40 patients and 62 accounts. Year-to-Date Community Care grants total \$324,419. Collection activity approval totaled \$83,289.40. Year-to-Date collection activity stands at \$588,219. Year-to-Date \$281,984 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$4,795.06, year-to-date recovery total of \$193,583.

ACTION: A motion was made by MaryAnn Harty to accept the recommendation made by the Finance Committee for approval of Community Care grants in the amount of \$21,960.31, Presumptive Community Care grants in the amount of \$33,748.50 and \$83,289.40 in write-offs to collection for July. The motion was seconded by John Lammert and carried with all members voting in favor.

C. Accounts Payable Review.

The Check Review list was given to the Finance Committee and reviewed. The total amount for the month of July is \$1,594,727.48.

ACTION: A motion was made by MaryAnn Harty to approve of checks totaling \$1,594,727.48. The motion was seconded by Susan Carlin and carried with all members voting in favor.

D. Fair Market Value Evaluation

A contract with Integrated Health Strategies for a fair market value was discussed. This evaluation will determine the cash flow and the legality between River's Edge and OFC. The fair market value is time sensitive, Chairperson Margie Nelsen approved the start of the evaluation before the Hospital Commission could meet in August. The cost of the evaluation should not be greater than \$10,000.

ACTION: A motion was made by John Lammert to approve of the fair market evaluation for an estimated cost no greater than \$10,000. The motion was seconded by Susan Carlin and carried with all members voting in favor.

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E. Capital Equipment

There was a request to purchase two Valleylab Force FX-C Cautery units for surgical services. There are currently two older models in surgical services. One of the cautery units went down on Monday, August 14, and was unable to be repaired; the other unit has been repaired. The purchase of two cautery units would cost \$14,088; the repaired unit would be used as a back-up.

ACTION: A motion was made by MaryAnn Harty to approve the purchase of two Valleylab Force FX-C Cautery Units for surgical services for the amount of \$14,088. The motion was seconded by Roger Parras and carried with all members voting in favor.

ROUNDTABLE COMMENTS

Stephanie Holden:

1. Strategic Planning session is on Monday, August 28, 2017.
2. August 21, 2017 there was a Joint Replacement Seminar with Dr. Botker at the Country Inn and Suites in Mankato.
3. August 24, 2017 Stephanie will be at the Community Resource Fair.
4. Boomers and Beyond is on September 21, 2017.
5. Exploring having a volunteer program at the hospital to help with directing patients during the construction phase, and also with gift shop.
6. Urgent Care has a new flat rate that will start on September 6, 2017 of \$59 for specific items.

Paula Meskan:

1. Urgent Care will be moving across the hall to the old River's Edge Clinic space.

EXECUTIVE SESSION

A. Resolution Calling for Closed Session to discuss Labor Negotiations for the CEO Contract.

ACTION: A motion was made by MaryAnn Harty to adjourn to closed session for the purpose of discussing the Labor Negotiations for the hospital Chief Executive Officer's Contract. Motion was seconded by Susan Carlin and carried with all voting in favor. Meeting was adjourned to closed session at 2:21p.m.

B. Call Closed Session to Order

The closed session of the Hospital Commission was called to order at 2:22 p.m. by Chairperson Margie Nelsen.

C. Call Closed Session to Adjourn

The closed session of the Hospital Commission was adjourned at 3:14 p.m. by Chairperson Margie Nelsen.

CALL BACK TO ORDER

The regular meeting of the Hospital Commission was called back to order at 3:15 p.m. by Chairperson Margie Nelsen.

ADJOURNMENT

ACTION: A motion was made by John Lammert to adjourn the meeting. Motion seconded by Susan Carlin and carried with all voting in favor. Meeting was adjourned at 3:16 p.m.

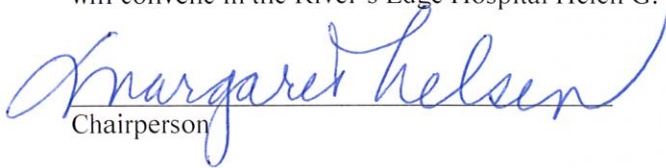
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NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, September 27, 2017, at 12:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center. The Finance Committee meeting will be held on Wednesday, September 20, 2017, at 2:00 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.


Chairperson


Secretary

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2017 -

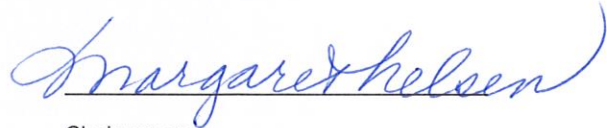
STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)

RESOLUTION CALLING FOR CLOSED SESSION

WHEREAS, Minnesota Statutes 13D.03 (Subd. 31(b) allows for closed sessions of the Hospital Commission for discussion related to the labor negotiations for the Hospital Chief Executive Officer's contract.

NOW, THEREFORE, BE IT RESOLVED BY THE HOSPITAL COMMISSION OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the Hospital Commission will meet in closed session as provided for under Minnesota Statutes 13D.03 (Subd. 1) (b) for discussion negotiations for the Hospital CEO labor contract.

Adopted by the Hospital Commission of the City of Saint Peter, Nicollet County, Minnesota, this 24th day of August, 2017.



Chairperson

ATTEST:



Secretary