

## **RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING**

River's Edge Hospital & Clinic – Helen G. White Conference Center  
Wednesday, December 23, 2015

**Present:** Margie Nelsen, Chairperson, Kay Moline, Vice-President; Trustees: H. Stuart Johnson, Blake Combellick, Bob Meeks, and Roger Parras; Nadia Malik, MD, Medical Staff President; George Rohrich, CEO; Gregg Chartrand, CFO; Stephanie Hill, Chief Marketing & Development Officer; Paula Meskan, Chief Nursing Officer; Jackie Kimmet, Chief Human Resources Officer; Todd Prafke, St. Peter City Administrator; Samantha Pherson, Executive Assistant and Recorder.

**Absent:** Susan Carlin, Trustee

### **CALL TO ORDER**

The regular meeting of the Hospital Commission was called to order at 12:20 p.m. by Chairperson Margie Nelsen.

### **APPROVAL OF CONSENT AGENDA**

The consent agenda includes the following:

- Approval of the Hospital Commission Meeting Agenda for December 23, 2015.
- Approval of the November 23, 2015, Hospital Commission Meeting Minutes.
- Acceptance of the December 8, 2015, Medical Staff Meeting Minutes
- Acceptance of the December 16, 2015, Finance Committee Minutes
- Acceptance of the November 18, 2015, Quality Management Committee Meeting Minutes.

### **ACTION:**

A motion was made by Bob Meeks to approve the consent agenda. The motion was seconded by Roger Parras and carried with all members voting in favor.

### **GENERAL VISITOR COMMENTS**

Visitors: None

### **MEDICAL STAFF**

- A. Medical Staff Meeting Minutes.** The minutes of the Medical Staff meeting of December 8, 2015, were present for review.
- B. 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:**

Suzette Barakat, MD	Active Staff, Internal Medicine/Hospitalist
Mary Mackenburg-Mohn, APRN, CNP, CPNP	Courtesy Staff, Emergency Medicine
Eric Van Hecke, PA-C	Courtesy Staff/AHP, Emergency Medicine

#### **Reappointment to the Medical Staff:**

None

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**Change in Category – Provisional to Full Membership:**

John Collingham, MD	Courtesy Staff, Emergency Medicine
Ramnik Dhaliwal, MD	Courtesy Staff, Emergency Medicine
Cynthia Doyscher, APRN, CNP	Courtesy Staff, Urgent Care
Janice Shelton, PA-C	Courtesy Staff/AHP, Emergency Med & UC
Mark Taylor, MD	Courtesy Staff, OB/GYN

**Withdrawn from Medical Staff:**

None

**ACTION:**

- 1) A motion was made by Bob Meeks 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 Blake Combellick and carried with all members voting in favor.
- 2) A motion was made by Bob Meeks 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 Kay Moline and carried with all members voting in favor.

**C. Medical Staff Bylaws.** The Bylaws of the Medical Staff of River's Edge Hospital & Clinic were present for review.

**Action:**

A motion was made by Bob Meeks to approve the Bylaws of the Medical Staff of River's Edge Hospital & Clinic. The motion was seconded by Blake Combellick and carried with all members voting in favor.

**ADMINISTRATIVE REPORT**

**A. Executive Summary.**

The written report submitted by George Rohrich was reviewed.

- November was a busy month statistically which translates into high revenue, showing a positive bottom line of approximately \$940,000, bringing the overall year-to-date bottom line to about \$618,000, versus year-to-date budget of (\$802,000), and the 2014 year-to-date loss of (\$1,420,000).
- November results show an increase of cash on hand of \$1,380,000 resulting in balance of \$8,215,000.
- Inpatient surgical procedures continue to trend positively.

**B. Statistical Dashboard.**

The statistical report for November, 2015, was reviewed. Of the 18 measured activities, 14 are noted to be above budget for the month, the same number as last month. Swing bed days continue to remain low but are increasing and work continues on opportunities to increase swing bed days.

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**C. 2016 Strategic Plan.**

The proposed 2016 Strategic Plan was reviewed. There are now six pillars included in the strategic plan: Growth, Service, Quality, People, Finance, and Community. Community is the sixth pillar, newly added to the 2016 year.

Strategic Plan Pillar #6, Community was reviewed and discussed.

- Leaders to participate in 3 designated activities.  
2015 = 2  
Activities can include County fair shift, Business after hours, 4<sup>th</sup> of July Parade, and any events that Stephanie Hill, Chief Marketing & Development Office deems appropriate.
- Number of Community Education Events = > 5  
2015 = 1  
Example: Lunch and Learns
- Community Benefits Assessment (CBA) > 20% (as identified annual CBA submitted to MHA)  
2015 = 19%  
This measure is defined by the government, and is identified by charity care, bad debt write-off and discounts that the hospital gives to the surrounding community members.

**Action:**

A motion was made by H. Stuart Johnson to approve the 2016 strategic plan. The motion was seconded by Roger Parras and carried with all members voting in favor.

**D. Patina Consulting Proposal.**

The proposal from Patina Solutions was reviewed. This proposal would allow for an experienced professional to partner with the chief nursing officer and surgery manager to assess surgical services, provide advice, and set a plan for how to scale the operation to accommodate growth. In addition this individual will facilitate a plan to help prepare the organization to apply for specialized certification for DNV's Hip and Knee Replacement Program. The certification process takes an average of five years to complete; with the help of the consultant the average time could be reduced to two years. The consultant would be embedded in this facility working with staff for two months, three days a week for the rate of \$58,000.

**Action:**

A motion was made by Roger Parras to approve the Patina Consulting Proposal. The motion was seconded by Kay Moline with all members voting in favor.

**E. I+S Group (ISG) Emergency Department/Urgent Care Master Plan Revisions.**

The professional services proposal for programming and conceptual design layout services for the Emergency and Urgent Care Departments at River's Edge Hospital provided by I+S Group was reviewed. The proposal will allow for an evaluation of the space and conceptual floorplan, which will provide a basis for estimating the probable costs. The proposal plans for utilizing a general contractor in ISG's network that are familiar with healthcare construction. ISG will provide the scope of the services listed in the proposal for a fee of \$12,500.

Once bids are received from various general contractors, the CEO and Commission Chairperson will review and select accordingly. A special session of the Hospital Commission will be held in mid-January to discuss, review and accept a bid based on the recommendation of the CEO and Commission Chairperson.

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**Action:**

A motion was by Bob Meeks to approve the I+S Group proposal for professional services for River's Edge renovations of the Emergency and Urgent Care Department. The motion was seconded by H. Stuart Johnson with all members voting in favor.

**F. Purchase Authorization Policy.**

The purchase authorization policy was discussed and reviewed. The policy was formerly a materials management policy but with the City of Saint Peter updating their policy it was decided that the purchase authorization policy would become a hospital commission policy. This policy outlines the approval process for purchases of supplies, equipment and services for the facility.

- Under "Invoices for services under signed contract" the commissioners recommended adding a statement the hospital would need the approval of the Hospital Commission for invoices over \$5,000.

**Action:**

A motion was made by H. Stuart Johnson to approve the purchase authorization policy with the above-noted change. The motion was seconded by Bob Meeks with all members voting in favor.

**FINANCIAL REPORT**

**A. November Financial Summary.**

Gregg Chartrand presented the financial report for November, 2015. Minutes from the December 16, 2015, Finance Committee meeting were available for review. Gross operating revenue was \$3,901,675 for the month, with net patient revenue at \$2,053,601. Year-to-Date gross revenue is \$4,383,037 ahead of budget, and net patient revenue is \$1,053,105 ahead of budget. Operating expenses stood at \$2,323,027. Year-to-date operating expenses are behind budget by (\$856,462), largely due to the expense associated with implants. November resulted in a net operating income of \$940,656. This brings the year-to-date excess revenue over expense to \$618,068, compared with a budgeted loss of (\$802,532). The EBIDA (expense before interest, depreciation and amortization) calculation showed a monthly profit of \$1,096,223, with a year-to-date profit of \$2,366,997.

Cash flow for November showed an increase of \$1,379,710, with operating cash standing at \$4,262,956 and funded depreciation at \$3,922,541. The increase in cash was primarily due to receipt of Electronic Health Record (EHR) incentive payment in the amount of \$1,189,104.33. Current Ratio at the end of November stands at 3.08. Days Cash On Hand is 121.58 days, and Days Revenue in Accounts Receivable stands at 58.23 days.

**B. Write-Off to Collection.**

Community Care grants totaled \$26.32 in November, covering 2 accounts that qualified for 100% write-off. Year-to-Date Community Care grants total \$83,397. Collection activity approval totaled \$89,507.43. Year-to-Date collection activity stands at \$803,829. Year to date \$249,296 of gross bad debts have been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$1,715.13, year-to-date recovery total of \$197,717.

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**ACTION:** A motion was made by H. Stuart Johnson to accept the recommendation made by the Finance Committee for approval of \$26.32 in Community Care grants and \$89,507.43 in write-offs to collection. The motion was seconded by Bob Meeks and carried with all voting in favor.

**C. Accounts Payable Review.**

Accounts Payable review for November included a total of \$1,424,215.66 paid via check.

**ACTION:** A motion was made by Kay Moline to recommend approval of checks totaling \$1,424,215.66. The motion was seconded by H. Stuart Johnson and carried with all voting in favor.

**QUALITY REPORT**

The Quality Management Committee minutes from the November meeting were reviewed. The Quality Dashboard report was also distributed for review. The dashboard contains results from a number of measurable and reportable quality measures. Fall Rate measures are below benchmark, and improvement of these measures will be part of the goals set for 2016. There has been a falls work group set-up to review the factors that may have contributed to the increased number of falls.

It was announced that an offer went out for the Chief Quality Office position, and it was accepted by the candidate. Janelle Rauchman will officially start her role as Chief Quality Officer on January 26, 2016.

**RECOGNITION OF OUTGOING COMMISSIONER KAY MOLINE**

Kay Moline was recognized for her many years of service on the Hospital Commission. Kay's last official Hospital Commission Meeting was on Wednesday, December 23, 2015.

**DIRECTOR COMMENTS**

**Stephanie Hill** – The Hospital Foundation is still actively collecting donations for the purchase of a new ambulance. Collected donations are currently at \$70,000, which is 35% of the goal. Donations are also tax deductible.

**Paula Meskan** – On January 4, 2016 River's Edge will be hosting four J-Term student from Gustavus. The students are pre-med students in their sophomore year of college. The students will be at River's Edge for four weeks, and will be spending time rotating through the departments of Surgery, Med/Surg, E.D/Urgent Care, Physical Medicine, Lab, Cardiac Rehab, and the Pharmacy.

**EXECUTIVE SESSION**

**A. Resolution Calling for Closed Session to complete CEO Employee Contract Negotiations.**

**ACTION:** A motion was made by Bob Meeks to adjourn to closed session for the purpose of completing CEO Employee Contract Negotiations for George Rohrich. Motion was seconded by Roger Parras and carried with all voting in favor. Meeting was adjourned to closed session at 1:53 p.m.

**B. Call Closed Session to Order**

The closed session of the Hospital Commission was called to order at 2:09 p.m. by Chairperson Margie Nelsen.

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**C. Call Closed Session to Adjourn**

The closed session of the Hospital Commission was adjourned at 2:29 p.m. by Chairperson Margie Nelsen.

**CALL BACK TO ORDER**

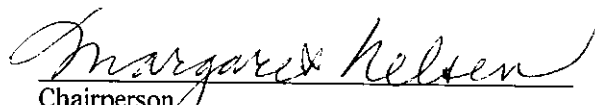
The regular meeting of the Hospital Commission was called back to order at 2:29 p.m. by Chairperson Margie Nelsen.

**ADJOURNMENT**

**ACTION:** A motion was made by Bob Meeks to adjourn the meeting. Motion seconded by Roger Parras and carried with all voting in favor. Meeting was adjourned at 2:30 p.m.

**NEXT MEETING**

The next regular meeting of the Hospital Commission will be Wednesday, January 27, 2016, at 12 noon. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center. The Finance Committee meeting will be held on Wednesday, January 20, 2016, at 1:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.

  
Chairperson

  
Secretary