

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

River's Edge Hospital & Clinic Conference Room

Wednesday, February 27, 2013

Present: Gil Carlson, Chairperson; Michelle Chalin, Vice-Chairperson; Kay Moline, Secretary-Treasurer; Trustees: Sandy Gundlach, Margie Nelsen, Jerry Pfeifer; Colleen Spike, CEO; Dr. Michael Sparacino, Chief Medical Officer; Dr. Susan Klenk, Medical Staff President; Kristin Schultz, Director of Quality, Infection Control and Clinic Services, Sheri Schmidt, Director of Business Services; Jackie Kimmert, Director of Human Resources; Tom Wilcox, Director of Environmental Services; Paula Meskan, Director of Nursing; Ann Lauer, Director of Finance; Todd Prafke, City Administrator; Guest Brian Bohn, Mayo Clinic Health System Manager for St. Peter and LeSueur; Guest Odjuwan Odinepi, City Administrative Intern; and Paulette Redman, Recorder.

Absent: H. Stuart Johnson, Trustee.

The regular meeting of the Hospital Commission was called to order at 12:24 p.m. by Chairperson Gil Carlson.

APPROVAL OF AGENDA

The agenda for the February 27, 2013, meeting was reviewed. It was noted that Item VII-C CEO Job Description Review, should be designated as a Motion to Adopt rather than informational only.

ACTION: A motion was made by Jerry Pfeifer to approve the agenda as revised. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

APPROVAL OF MINUTES

The minutes of the regular Hospital Commission meeting of January 30, 2013, were reviewed.

ACTION: A motion was made by Michelle Chalin to approve the regular Commission meeting minutes of January 30, 2013, as presented. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

MEDICAL STAFF

- A. Medical Staff Meeting Minutes.** The minutes of the February 12, 2013, Medical Staff meeting were reviewed. Dr. Klenk noted the meeting included discussion of Medicare guidelines, protocols for performing ultrasound-guided biopsies, and the availability of carotid ultrasound on a daily basis. The Medical Staff also discussed donations for scholarships for Gustavus Adolphus students.
- B. Medical Staff Credentialing.** A report from the Executive/Credentials Committee 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 listed on the report:

Initial Appointment to Medical Staff:

Stephanie R. Anderson, MD

Courtesy Staff, Rheumatology

Thomas W. Lovinger, MD

Courtesy Staff, Emergency Medicine

Reappointment to the Medical Staff:

Richard S. Harrison, OPA-C

Courtesy Staff, AHP, Orthopedic Physician Assistant

John A. Springer, MD

Courtesy Staff, Orthopedics

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Request for Additional Privileges:

William J. Lee, MD Courtesy Staff, General Surgery/Bariatric Surgery

Change in Status:

Mark P. Taylor, MD Change from Provisional to Full Membership, Courtesy Staff,
OB/GYN

Withdrawals from Medical Staff:

Wayne P. Panning, MD Courtesy Staff, Radiology

ACTION: A motion was made by Jerry Pfeifer 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 Kay Moline and carried with all members voting in favor. A motion was made by Michelle Chalin to accept the recommendation of the Credentials Committee and grant clinical privileges to each of the practitioners listed above, as requested and approved by the Credentials Committee. The motion was seconded by Sandy Gundlach and carried with all members voting in favor.

FINANCIAL REPORT

Ann Lauer presented the financial report for January, 2013. A dashboard for financial indicators was presented and discussed. Revenue over budget saw an increase in January, operating expense also rose, accounting for a net operating loss of (\$53,667). This is ahead of budget, as a loss of (\$126,059) was projected for the month. Current Ratio stands at 3.43, Days Cash On Hand is 94.45 days, and Days Revenue in Account Receivable stands at 47.12 days.

Community Care grants for January totaled \$5,136.81, of which 16 accounts qualified for 100% write off and 3 accounts qualified for a 50% write off. Collection activity for Board approval totaled \$74,865.72 for January. Of this total, \$39,166.85, or 129 accounts were insured accounts, \$35,699.17, or 59 accounts, were uninsured. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$1,635.

ACTION: Kay Moline made a motion to approve the January, 2013, financial report as presented, along with payment of bills, write-offs to collection and bad debt, and accounts payable review. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

QUALITY / SAFETY

The minutes of the October 24, 2012, Quality Management Committee meeting were reviewed.
ACTION: A motion was made by Sandy Gundlach to acknowledge receipt of the October 24, 2012, Quality Management Committee meeting minutes. The motion was seconded by Jerry Pfeifer and carried with all members voting in favor.

ADMINISTRATIVE REPORT

The written report submitted by Colleen Spike was reviewed.

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Ms. Spike also noted the following:

- The Minnesota Rural Health Cooperative has hired an attorney to look into the payment methodology changes made by Blue Cross/Blue Shield. BC/BS has moved to pay Critical Access Hospital using the same methodology as prospective payment hospitals. Impact statements released by BC/BS have identified a loss of \$300,000 to \$900,000 per year for some facilities. River's Edge has not yet received an impact statement; the new system would not be effective for River's Edge until January, 2014. One of the issues the attorney will address is the lack of a minimum 45-day notice for the change – some of the critical access hospitals in Minnesota will be moved to this payment method as early as March of 2013. This change is being made by Minnesota Blue Cross/Blue Shield; it is not a nationwide change.
- Minnesota's report of Adverse Health Events for 2012 has been released. Ms. Spike passed a copy of the report for the Commissioners to view. River's Edge Hospital & Clinic had no reportable events in 2012.
- EideBailey will be on site in March to perform the financial audit.
- River's Edge Hospital & Clinic has signed an Accountable Care Organization agreement with Allina Health Systems. Representatives from Allina will be presenting information about their ACO on March 19. The agreement allows River's Edge to remain an independent facility.
- A new advertising campaign will be promoting same-day appointments for the River's Edge Clinic.
- Ms. Spike informed the Commission of an instance where a patient reported their provider ordered an MRI; the patient wanted the MRI performed at River's Edge, however were told by a clinic staff member that it could not be done at REHC as they did not have the fax number for the River's Edge Imaging Department. The patient then contacted REHC administration with this complaint. A listing of fax numbers has been compiled and provided to the ordering clinic.

QUALITY / EDUCATION / OPERATIONS

A. Dashboards – Financial/Statistical.

The financial and statistical dashboards for January were reviewed. The dashboards are designed to compare actual figures to budgeted figures and will be presented on a monthly basis.

B. Electronic Medical Record Update / Financial Management / HR Management Update.

A timeline is being established for implementation of new software systems and final costs are being pulled together for presentation to the Commission in March or April. Tentatively, the Epic/Excellian product would be implemented in 2014 – the financial (Lawson) and HR management systems (Kronos) would need to be implemented six months prior to Excellian implementation. Estimated cost for the three systems is \$1.5 million. Administration will also be looking at financing options.

C. CEO Job Description Review.

Todd Prafke and Jackie Kimmet reviewed the process to date for updating the CEO job description. Through a process of soliciting “best candidate” input from a variety of individuals and groups, Mr. Prafke, Ms. Kimmet and a subcommittee of Commission and City Council members have discussed and updated a job description and a process for evaluating candidates. Minimal and preferred qualifications have been added to the job description, and changes have been made to the duties of the CEO based on recent changes in personnel and the facility's organizational structure.

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ACTION: A motion was made by Kay Moline to approve the CEO Job Description as presented. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

D. CEO Recruitment Process Update.

The process for evaluating candidates was discussed. A rubric is currently being developed that will provide a weighting and scoring system. Processes will also be established to obtain feedback from individuals based on personal interactions with the candidates. A key point of discussion has been residency requirements for the position. The subcommittee also discussed this issue and recommends setting a residency requirement of a 10-minute emergency response time. Response time is a requirement of a number of City positions, and would be measured as drive time from driveway to REHC parking lot. Commission members agreed that an established response time for residency should be a requirement of the position.

ACTION: A motion was made by Sandy Gundlach, based on the recommendations of the subcommittee, to set the CEO's required response time at 10 minutes. The motion was seconded by Jerry Pfeifer. The motion failed as the final vote was a 3-3 tie, with 3 voting in favor and 3 voting against.

A motion was made by Jerry Pfeifer to set the CEO's required response time at 15 minutes. The motion was seconded by Kay Moline. The motion carried with all members voting in favor.

DIRECTOR COMMENTS

Michelle Chalin: Congratulated Colleen Spike and staff on the development and presentation of a good budget.

Todd Prafke, City Administrator: Noted he had a good meeting with the REHC Directors and appreciated the work Jackie Kimmet is doing with regard to the CEO hiring process.

Paula Meskan, Director of Nursing: Noted a "St. Peter Herald" article about the new tele-health equipment ready for use in the Emergency Room.

Sandy Gundlach: Thanked Todd Prafke and Jackie Kimmet for facilitating the meetings with the community groups in regard to the CEO hiring process.

VISITOR COMMENTS

Brian Bohn, Clinic Manager for MCHS, St. Peter/LeSueur: Mr. Bohn responded to concerns expressed regarding the referral of Mayo Clinic Health System-St. Peter patients for services at the River's Edge Hospital. Mr. Bohn stated that he is open to communicating and working closely with the Hospital to respond to concerns that may arise and to fix problems identified. Mr. Prafke noted that he is facilitating the initial meeting of the River's Edge Medical Staff Advisory Group - the meeting will be scheduled as soon as an agreeable time and date can be identified with the membership. This group includes membership from the REHC administration, the City of St. Peter, MCHS-St. Peter Clinic and Daniels Clinic, and will provide a forum to discuss common issues and goals, including improving communication between the facilities.

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ADJOURNMENT

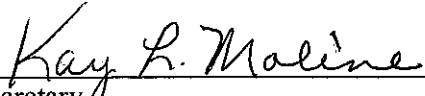
ACTION: A motion was made by Jerry Pfeifer to adjourn the meeting. The motion was seconded by Margie Nelsen and carried with all members voting in favor. The meeting was adjourned at 1:47 p.m.

NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, March 27, 2013, at 12 noon. This meeting will convene in the River's Edge Hospital Helen G. White Conference Room. The Finance Committee meeting will be held at 11:30 a.m.



Chairperson



Secretary