

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

River's Edge Hospital & Clinic – Helen G. White Conference Center

Wednesday, March 26, 2014

**Present:** Michelle Chalin, Chairperson; Margie Nelsen, Vice-Chairperson, Kay Moline, Secretary-Treasurer; Trustees: H. Stuart Johnson, Bob Meeks and Chuck Zieman; George Rohrich, CEO; Dr. Susan Klenk, Medical Staff President; Dr. Michael Sparacino, Medical Director; Sheri Schmidt, Director of Business Services; Jackie Kimmet, Director of Human Resources; Ann Lauer, Director of Finance; Paula Meskan, Director of Nursing; Tom Wilcox, Director of Environmental Services; Patty Roessler, Director of Patient Care Services; Roxanne Portner, Director of Quality and Infection Control; Kim Johnson, Director of Clinic Services; Gary Swedberg, Pharmacist; Liz Schroeder, RN, and Paulette Redman, Recorder.

**Absent:** Sandy Gundlach, Trustee.

### **CALL TO ORDER**

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

### **APPROVAL OF AGENDA**

The agenda for the March 26, 2014, Hospital Commission meeting was reviewed. Mr. Rohrich requested the addition of Item 5-E – Capital Equipment Requests, and Item 7-C – Conflict of Interest Statements.

**ACTION:** A motion was made by H. Stuart Johnson to approve the agenda as amended. 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 February 26, 2014, were reviewed.

**ACTION:** A motion was made by Chuck Zieman to approve the minutes of the regular Commission meeting of February 26, 2014, as presented. The motion was seconded by Kay Moline and carried with all members voting in favor.

### **MEDICAL STAFF**

**A. Medical Staff Meeting Minutes.** The minutes of the March 11, 2014, Medical Staff Meeting were reviewed. Dr. Klenk reviewed the report from the Surgical Services Committee, noting that joint replacement surgeries are going well, Dr. Hoines, ophthalmologist, will be retiring later in the year and one of his colleagues, Dr. Steven Anderson, will be coming to River's Edge on a routine basis to perform surgeries, and the surgery department is looking to acquire additional urology equipment. She also noted a special election will be held for the office of vice president, due to Dr. Troedson's upcoming departure at the end of May.

**Action:** A motion was made by Kay Moline to acknowledge receipt of the Medical Staff Meeting minutes of March 11, 2014. The motion was seconded by Margie Nelsen and carried with all members voting in favor.

**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 as listed on the report:

#### **Initial Appointment to the Medical Staff:**

Kellie Newman, MD	Courtesy Staff – General Surgery
Karl Papierniak, MD	Courtesy Staff – General Surgery

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### Reappointment to the Medical Staff:

Theresa Dzwonkowski, ST

Courtesy Staff, AHP, Surgical Technician

David Krusemark, CRNA

Courtesy Staff, AHP, Nurse Anesthetist

Rachel Jones, MD

Courtesy Staff, General Surgery

### Withdrawal from Medical Staff Membership:

Mark Taylor, MD

Courtesy Staff, OB/GYN

Daniel Beggs, MD

Teleradiology

**ACTION:** A motion was made by Margie Nelsen 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 H. Stuart Johnson and carried with all members voting in favor. A motion was made by H. Stuart Johnson 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 Kay Moline and carried with all members voting in favor.

## ADMINISTRATIVE REPORT

**A. Executive Summary.** The written report submitted by George Rohrich was reviewed. In addition, Mr. Rohrich noted the following:

- A leadership training session will be held on April 10, 2014, to kick off the staff training process for the Studer project.
- The food drive for the Echo Food shelf is underway; thus far River's Edge has collected over 2,000 lb. The food shelf has revised its goal from 3,000 lb. collected to 5,500 lb. collected.

**B. Strategic Planning.** The strategic plan was discussed at a commission workshop held on March 20, 2014. The plan was revised based upon that discussion and presented for review and approval. The plan includes a revision of the River's Edge Hospital & Clinic Mission, Vision and Values Statements to read:

Mission Statement: To provide quality health services.

Vision Statement: To improve the health of all individuals we serve.

Values: We value compassionate care, collaboration, stewardship and integrity.

Mr. Rohrich noted two corrections to page 8 – employee turnover rate should be  $\leq 12\%$  and first year employee turnover should be  $\leq 5\%$ . Commissioners requested that turnover rates be calculated to show employees lost by attrition versus all other reasons. The Strategic Plan Dashboard was also reviewed.

**ACTION:** A motion was made by Bob Meeks to approve the Strategic Plan as presented with the two corrections. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor.

**C. Statistical Dashboard.** The statistical report for February was reviewed. Overall activity was below benchmark for the month, with the most concerning numbers being the decrease in acute inpatient days and average daily census.

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## **FINANCIAL REPORT**

Ann Lauer presented the financial report for February, 2014. The dashboard for financial indicators was reviewed and discussed, noting that budgeted benchmarks had been updated. Net operating revenue was \$1,131,325 for February, which is below the budget set of \$1,666,617. Operating expenses stood at \$1,443,233, below the budgeted amount of \$1,702,729. February resulted in a net operating loss of (\$311,908). Combined with non-operating revenue, the facility shows a loss of (\$309,997). The EBIDA calculation (Earnings Before Interest, Depreciation and Amortization) is (\$167,244), compared to budgeted amount of \$149,204. Current Ratio at the end of February stands at 4.55, up from 3.89 in January. Days Cash On Hand is 110.49 days, and Days Revenue in Accounts Receivable stands at 52.31 days. February shows a negative cash flow of (\$233,216). Of note, the bi-annual bond interest payment of \$229,033 was made during February. There was also a transfer of \$753,143 from Funded Depreciation to Savings for electronic health record expenses.

Community Care grants totaled \$18,729.04 in February, covering 14 accounts that qualified for 100% write-off and 13 accounts that qualified for a 50% write-off. Collection activity for Commission approval totaled \$61,322.42 for February, representing 168 patient accounts. Of this total, \$35,415.89 was from 129 insured accounts, \$25,906.53 was from 37 uninsured accounts. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$88,925.98. Gross collections activity year-to-date 2014 is \$142,422.33; gross bad debt recovery year-to-date 2014 is \$100,629.90.

Accounts Payable review for February included a total of \$858,265.90 paid via check. There were no payments made via accounting data program.

Since the changeover from HMS to the Lawson system, the finance staff has been going through reports line by line to assure that data is flowing correctly through the system. Ms. Lauer also noted that the auditors were on site last week.

### **ACTION:**

- 1) A motion was made by H. Stuart Johnson to approve the Financial Report for February, 2014. The motion was seconded by Margie Nelsen and carried with all members voting in favor.
- 2) A motion was made by Kay Moline to approve \$61,322.42 in write-offs to collection for February. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor.
- 3) A motion was made by Margie Nelsen to accept the Accounts Payable Review. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor.

### **Capital Equipment Requests.**

**Urology Equipment.** A proposal for purchase of urology equipment was brought for discussion. Dr. Goldberg, a Mankato Clinic urologist, is currently performing surgery at River's Edge. Three quotes for the equipment were reviewed. Dr. Goldberg and the surgical staff recommend purchase of the equipment from Olympus. It is estimated that the equipment will pay for itself in two years or less.

**ACTION:** A motion was made by Bob Meeks to approve purchase of urology equipment at a cost of \$33,001.21 from Olympus. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor. Ann Lauer recommended the purchase be paid out of operational funds.

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**Pharmacy Dispensing Equipment.** A proposal was presented for replacement of the current Pyxis dispensing equipment. The Pyxis system will no longer be supported by the company. Pharmacy staff has looked at two systems, Pyxis and Omnicell, and is recommending acceptance of the bid from Omnicell. Although it is a higher bid, the Omnicell system includes additional safety and reporting features not available on the Pyxis system. Gary Swedberg reported that he had received a new quote from Omnicell this morning that dropped the overall price by \$12,000. **ACTION:** A motion was made by Bob Meeks to approve acceptance of the Omnicell bid at a price of \$157,239.62. The motion was seconded by Margie Nelsen. Following further discussion, Mr. Meeks amended the motion, moving to approve purchase of the Omnicell system for a price not to exceed \$150,000.00. The amended motion was seconded by Chuck Zieman and carried with all members voting in favor.

### QUALITY REPORT

The minutes of the February 19, 2014, Quality Management Committee Meeting were distributed for review. Roxanne Portner summarized the minutes, noting that six departments had reported on their quality activities. The Emergency Department has set up a task force to look at specific quality improvement goals, including patient satisfaction scores and radiology wait times. The number of patient satisfaction surveys being sent out has been increased with a goal of improving the return rate. Two areas of focus will be pain management, assessment and reassessment, and patient discharge instructions. DNV should be arriving within the next four weeks for their annual survey. Last year's survey identified 7 category 1 and 12 category 2 nonconformities, all of which have been addressed.

**ACTION:** A motion was made by Kay Moline to acknowledge receipt of the Quality Management Committee meeting minutes of February 19, 2014. The motion was seconded by H. Stuart Johnson and carried with all members voting in favor.

### QUALITY / EDUCATION / OPERATIONS

- A. Community Commitment to Reducing Avoidable Readmissions Effectively (RARE) Campaign.** A webinar discussing the RARE Campaign was presented. The campaign began in response to a nationwide nearly 1 in 5 patient readmission rate within 30 days. The campaign is sponsored by multiple agencies and supports healthcare's triple aim of improving population health, improving patient experience of care and improving healthcare affordability. A key aspect of the program is improvement of hospital's discharge programs.
- B. River's Edge RARE Update.** Paula Meskan and Roxanne Portner reported on the River's Edge participation in the RARE Campaign. Minnesota's initial goal was to provide patients with 16,000 more days at home versus in the hospital. This goal has been met. Steps that River's Edge has taken to improve rates include
- Review and revision of discharge instructions to make them more patient friendly.
  - Working with area clinics to streamline the follow-up appointment process for patients.
  - Ensuring that patients understand their discharge medications and when they need to be seen again by their provider.
  - Identified a strategic goal for inpatient readmission rates to be  $\leq 6.3\%$ .

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- C. **Conflict of Interest Statements.** Mr. Rohrich distributed forms for each commissioner to review and sign, including conflict of interest statements and confidentiality of information statements.

**DIRECTOR COMMENTS**

**Kim Johnson, Director of Clinic Services:** Currently working on process flow and efficiencies. Providers are looking at starting some nontraditional hours in mid May.

**Patty Roessler, Director of Patient Care:** Announced that Gary Swedberg is retiring in April after serving as River's Edge Pharmacist for 14 years. A new pharmacist, Shirley Miller, has been hired and will begin work on April 14. Ms. Roessler also thanked Liz Schroeder for her ongoing work as the Excellian project lead. Ms. Roessler has been investigating the feasibility of establishing a pulmonary rehabilitation program at River's Edge. She reported that regulations specify a pulmonologist is required to see each patient at least once monthly.

**Paula Meskan, Director of Nursing:** River's Edge will be co-hosting a scrubs camp this summer along with Gustavus Adolphus College. The camp would be open to 24 middle school students who would spend one day at River's Edge and one day at Gustavus.

**Jackie Kimmet, Director of Human Resources:** Over 70% of employees have completed the employee satisfaction survey thus far. Results of the survey will be available in late April or early May. Marketing activities are also underway, including radio ads, inserts in the newspapers advertising the services at River's Edge, and a postcard to be sent to all St. Peter residents. The facility is looking for pop-up tents that can be utilized for a River's Edge booth for various local events.


**Chuck Zieman, Trustee:** Questioned whether the hospital needed to do anything regarding the new birthing center that will be opening up in St. Peter. Paula Meskan noted that she has been in contact with the midwife who will be owning and running the center.

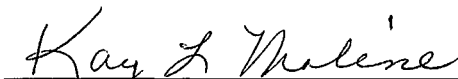
**ADJOURNMENT**

**ACTION:** A motion was made by Chuck Zieman to adjourn the meeting. The motion was seconded by Kay Moline and carried with all members voting in favor. The meeting was adjourned at 1:27 p.m.

**NEXT MEETING**

The next regular meeting of the Hospital Commission will be Wednesday, April 30, 2014, 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 at 11:30 a.m.

  
Chairperson

  
Secretary