

RIVER'S EDGE HOSPITAL & CLINIC COMMISSION MEETING

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

Wednesday April 29, 2015

<i>Present:</i>	<input checked="" type="checkbox"/>	Margie Nelsen, Chairperson	<input checked="" type="checkbox"/>	Roger Parras, Trustee	<input type="checkbox"/>	Roxanne Portner, Director of Quality and Infection Control
	<input checked="" type="checkbox"/>	Kay Moline, Vice- Chairperson	<input checked="" type="checkbox"/>	George Rohrich, CEO	<input checked="" type="checkbox"/>	Sheri Schmidt, Director of Business Services
	<input checked="" type="checkbox"/>	Sandy Gundlach, Secretary - Treasurer	<input checked="" type="checkbox"/>	Nadia Malik, MD, Medical Staff President	<input checked="" type="checkbox"/>	Stephanie Hill, Director of Marketing
	<input checked="" type="checkbox"/>	Susan Carlin, Trustee	<input type="checkbox"/>	Michael Sparacino, DO, Medical Director	<input checked="" type="checkbox"/>	Tom Wilcox, Director of Environmental Services
	<input type="checkbox"/>	H. Stuart Johnson, Trustee	<input checked="" type="checkbox"/>	Ann Lauer, Director of Finance	<input checked="" type="checkbox"/>	Laura Brink, Director of Clinic Services
	<input checked="" type="checkbox"/>	Bob Meeks, Trustee	<input checked="" type="checkbox"/>	Jackie Kimmet, Director of Human Resources	<input checked="" type="checkbox"/>	Todd Prafke, City Administrator
	<input checked="" type="checkbox"/>	Blake Combellick, Trustee	<input checked="" type="checkbox"/>	Paula Meskan, Director of Nursing	<input checked="" type="checkbox"/>	Sarah Kelley, Administrative Assistant

CALL TO ORDER

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

APPROVAL OF AGENDA

The agenda for the April 29, 2015, Hospital Commission meeting was reviewed. There were no requests or changes.

ACTION: A motion was made by Bob Meeks to approve the agenda as revised. The motion was seconded by Blake Combellick and carried with all members voting in favor.

INTRODUCTION OF NEW COMMISSION MEMBER

Roger Parras was introduced as the new council member. Mr. Parras represents the City Council and serves the North half of the city. Mr. Parras noted he was excited to join the Commission.

Medical Staff President Nadia Malik, MD, now has voting rights with the Commission.

Bob Meeks noted at the last Commission meeting we had visitors here from the hospital in Le Sueur, and we did not have a quorum. A special meeting was then scheduled, where the board had to meet again, and there were the minimum number of members who attended the special meeting. Mr. Meeks reiterated the importance of the Commission meetings, and requested that Commissioners take their responsibility seriously and attend the meetings.

GENERAL VISITOR COMMENTS

Mark Dale from Eide Bailly was in attendance to present the annual external audit report to the Commission.

APPROVAL OF MINUTES

A. **Approval of Commission Meeting Minutes.** The minutes of the regular Hospital Commission meeting of March 25, 2015, and the minutes of the special Hospital Commission meeting of March 27, 2015, were reviewed. There were no corrections or changes to the minutes.

ACTION: A motion was made by Bob Meeks to approve the minutes of the regular Commission meeting of March 25, 2015, and the special Commission meeting of March 27, 2015, as presented. The motion was seconded by Susan Carlin and carried with all members voting in favor.

EIDE BAILLY AUDIT REPORT

Mark Dale presented a PowerPoint presentation of REHC's annual external audit report. Mr. Dale noted there may be some significant changes next year regarding PERA. Mr. Dale spoke on topics regarding internal control matters, health care trends, balance sheet performance ratios, financial performance ratios, operating activities, and market share.

ACTION: A motion was made by Roger Parras to accept the Eide Bailly Audit Report. The motion was seconded by Blake Combellick and carried with all members voting in favor.

MEDICAL STAFF

- A. Medical Staff Meeting Minutes.** The minutes of the April 14, 2015, Medical Staff Meeting were available and were reviewed. Nadia Malik, MD noted the Medical Staff is now aware Dr. Malik has voting privileges on the Commission. The open house for the Le Center Clinic was on March 26, 2015 and the hospital is 93 days without a fall.

ACTION: A motion was made by Bob Meeks to acknowledge receipt of the Medical Staff Meeting minutes of April 14, 2015. The motion was seconded by Kay Moline 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:

Johanna Bischof, MD	Courtesy Staff, Emergency Medicine
Seth Consoer, MD	Courtesy Staff, Ophthalmology
Heidi Hermel, CNP	Courtesy Staff/AHP, Urgent Care
Mitchell Palmer, MD	Courtesy Staff, Emergency Medicine

Reappointment to the Medical Staff:

David Bryce, MD	Courtesy Staff, Pain Management
Christopher LaFleur, CRNA	Courtesy Staff, Nurse Anesthetist
Richard Lowry, OPA-C	Courtesy Staff, Orthopedic PA
Rohaam Mehta, MD	Courtesy Staff, Pain Management

Change in Staff Category:

Mary Hestness, MD	Courtesy Staff, Teleradiology
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Change in Privilege- Non-Admitting:

Stephanie Anderson, MD	Courtesy Staff, Rheumatology
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Withdrawal from Medical Staff Membership:

Timothy Bachenberg, MD	Courtesy Staff, Emergency Medicine
Troy Benson, MD	Courtesy Staff, Emergency Medicine
Benjamin Crandall, DO	Courtesy Staff, Teleradiology

ACTION: 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 Kay Moline and carried with all members voting in favor.

A motion was made by Bob Meeks 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 Blake Combellick and carried with all members voting in favor.

ADMINISTRATIVE REPORT

A. Executive Summary.

The written report submitted by George Rohrich was reviewed. Mr. Rohrich noted that March was a strong month statistically and financially, which enabled us to come in ahead of budget and make up our budget deficit year-to-date. We were also able to put \$585,000 into the bank this month. Inpatient surgical procedures continue to trend positively:

- January: 21
- February: 27
- March: 46
- April: 31

B. Statistical Dashboard.

The statistical report for March was reviewed. We had 15 of 19 activities in the green. This is the best year-to-date. Also the increase in Inpatient Surgical Procedures did translate into a higher Average Daily Census in Acute but not Swing Bed.

C. Charge Master & Pricing Review

Mr. Rohrich presented the Pricing Review at the Finance Committee meeting as well as to the Commission. This data shows us how REHC arrived at the new pricing. All REHC prices are anticipated to be lower than those of competing facilities. Work continues on the Charge Master Review. Mr. Rohrich anticipates presenting this part of the project at the May meeting.

D. On Call Room Project

Mr. Rohrich noted REHC continues to refine plans and estimates to convert the existing Nursery space into an On-Call room for the Hospitalist. As of now, the Hospitalists are using a patient room; this project would free up that room and increase our total number of rooms to 15. Mr. Rohrich hopes to present this to the Commission at the May meeting. The estimated cost for this project is around \$49,000.

E. Clinic Review Project

Mr. Rohrich presented a proposal from Eide Bailly to evaluate our Clinic operations. This project developed from the review of our Urgent Care Clinic, currently run out of the Emergency Department. Mr. Rohrich believes Urgent Care is important to our community, that it should be expanded, expansion cannot occur if Urgent Care is run out of the ED, and that any expansion of Urgent Care will have a significant impact on the RE Clinic. The cost of this review is \$18,500 - \$20,000. Mr. Meeks noted this was a worthwhile project to make sure we are using our dollars properly.

ACTION: A motion was made by Kay Moline to recommend the Clinic Review Project for City approval, to engage Eide Bailly to undertake clinic evaluations regarding Urgent Care. The motion was seconded by Susan Carlin and carried with all members voting in favor.

F. Community Activities

Mr. Rohrich noted REHC hosted around 35 community members at the St. Peter Chamber of Commerce, Business After Hours event which was held on April 21, 2015. REHC also completed our Adopt-a-Highway Clean-up of MN 169 on April 22, 2015. A Performance Excellence PEN Workshop was held on April 27 and 28 in Brooklyn Center, MN. This workshop focused on ways to continuously improve our hospital and our operations.

ORTHO EDGE MARKETING VIDEO

Stephanie Hill, Director of Marketing, presented an informational Ortho Edge video. REHC worked with KEYC, Studio 12 to create this video. It will be posted on our website, social media, and our REHC YouTube channel. The Orthopedic and Fracture Clinic will also be putting the video on their website.

FINANCIAL REPORT

- A. Finance Meeting Minutes.** The minutes of the March 18, 2015, Finance Committee Meeting were available and were reviewed. There were no corrections or changes to the minutes.

ACTION: A motion was made by Susan Carlin to accept the Finance Committee Meeting minutes of March 18, 2015. The motion was seconded by Blake Combellick and carried with all members voting in favor.

Finance Meeting Minutes. The minutes of the April 22, 2015, Finance Committee Meeting were available and were reviewed. There were no corrections or changes to the minutes.

ACTION: A motion was made by Susan Carlin to accept the Finance Committee Meeting minutes of April 22, 2015. The motion was seconded by Roger Parras and carried with all members voting in favor.

- B. Financial Dashboard.** Ann Lauer presented the Financial Dashboard. The Current Ratio at the end of March is 2.78. Days Cash (All Sources) On Hand is 111.24 and Days Revenue in Accounts Receivable stands at 61.10 days.

- C. Financial Statements.** Ms. Lauer presented the financial reports for March. The month of March had a loss of (\$43,884) and a year-to-date loss of (\$207,952). Total Patient Revenue stands at \$3,195,639. Physician Clinic Revenue at \$129,885 and Hospital Patient Revenue stands at \$3,065,754. Year-to-date Total Patient Revenue stands at \$8,683,082, under budget of \$9,054,546. Net Patient Revenue stands at \$5,868,211 year-to-date with a budget of \$5,997,558. Monthly Net Operating Revenue stands at \$2,199,060, over budget of \$2,021,170. Monthly Operating Expenses stands at \$2,245,045 over budget of \$2,109,335.

ACTION: A motion was made by Blake Combellick to approve the Financial Reports for March, 2015. The motion was seconded by Roger Parras and carried with all members voting in favor.

- D. Write Off to Collection.** Community Care grants totaled \$1,589.06 in March, covering 6 accounts that qualified for 100% write-off. Year-to-Date Community Care grants total \$8,568.70. Collection activity for Commission approval totaled \$43,809.97 for March, representing 86 patient accounts. Year-to-Date collection activity stands at \$106,147.67. Year to date \$146,344.73 of gross bad debts has been recovered. The Revenue Recapture program through the State of Minnesota resulted in receipt of \$40,243.78, year-to-date recovery total of \$122,243.78.

ACTION: A motion was made by Kay Moline to approve \$1,589.06 in Community Care grants and \$43,809.97 in write-offs to collection for March. The motion was seconded by Bob Meeks and carried with all members voting in favor.

- E. Accounts Payable Review.** The Check Review list was given to the Finance Committee at the Finance meeting on April 22, 2015, and reviewed.

ACTION: A motion was made by Bob Meeks to approve the Accounts Payable checks in the amount of \$1,012,927.84. The motion was seconded by Kay Moline and carried with all members voting in favor.

F. CAPITAL EQUIPMENT REQUESTS.

- 1. Fracture Table.** Mr. Rohrich presented a request for purchase of a fracture table. With the addition of this equipment, REHC would be able to start operating on long bones and

complex hips. Currently this type of patient needs to be transferred elsewhere due to not having the resources here to care for them. After research, a refurbished fracture table was found for a cost of approximately \$15,000, versus a brand new table which would cost around \$100,000. This fracture table would enhance REHC's surgery department and would be a revenue generator.

ACTION: A motion was made by Kay Moline to recommend to the City Council the purchase of the refurbished fracture table at a cost of approximately \$15,000. The motion was seconded by Blake Combellick and carried with all members voting in favor.

- 2. Laboratory Refrigerator.** A commercial refrigerator is being requested to replace two household refrigerators that are now used in the Lab. The cost of the commercial refrigerator is \$7,618.73. The household refrigerators used now have temperature control issues, which causes a large concern as these refrigerators contain between \$20,000 - \$40,000 worth of reagents. The commercial refrigerator is 51 cubic feet and is made heavy duty. Due to this refrigerator being much larger, some casework will need to be moved, along with some small remodeling; however, all work can be done internally, and should cause no more expense.

ACTION: A motion was made by Blake Combellick to approve the purchase of a Laboratory Refrigerator. The motion was seconded by Kay Moline and carried with all members voting in favor.

- 3. Coagulation Analyzer.** The coagulation machine used now is 12 years old. This machine is used for numerous tests including how well blood-thinning medications are working, investigation of a possible bleeding disorder, and to rule out clotting episodes and diagnose conditions related to thrombosis. The requested coagulator would interface with Excellian, which would remove the human reporting that is happening with the current machine. This will allow more testing to be done in the hospital. After research, Kay Carlson, Laboratory Manager, has chosen the ACL Top 300 Analyzer. This machine was not the least expensive quote received; however, Ms. Carlson wanted to continue with the brand we are using now. It would be less training time for employees, and an easier transition between machines. The estimated cost for the machine is \$40,000. There are also three different buying options available: purchase, lease, and reagent rental.

Quotes: IL (Instrumentation Laboratory) ACL TOP 300	\$40,000
Siemens Sysmex CA-1500	\$35,950
Stago STA Compact Max ES	\$34,570

ACTION: A motion was made by Bob Meeks to recommend to the City Council the purchase of the ACL TOP 300 Coagulation Analyzer for the price of \$40,000. The motion was seconded by Kay Moline and carried with all members voting in favor.

- 4. Firewall Appliance.** Kevin Schaefer, Manager of Information Services, reported the system used now is 11 years old. Technology has greatly improved and so has the capability of hackers. During a recent Risk Assessment, the Firewall system was labeled as an issue with compliance. The requested "Check Point 4600" Firewall will improve security of electronic medical records, protect against malicious software and will improve compliance with the HIPAA requirements. Check Point is the leader for network security. Cisco and Juniper were considered but lack proven integration and basic web filtering.

Quotes for one time firewall costs: Check Point 4600	\$31,639
Check Point 4400	\$24,476
Cisco ASA 5515-X	\$21,765
Juniper SRX240 NGFW	\$19,025

Pricing from 2 vendors CDW and ITsavvy were received and ITsavvy had the lower prices.

ACTION: A motion was made by Bob Meeks to recommend to the City Council the purchase of the Check Point 4600 Firewall Appliance at a cost of \$31,639. The motion was seconded by Blake Combellick and carried with all members voting in favor.

QUALITY REPORT

A. Quality Management Committee Meeting Minutes.

The minutes for the Wednesday, March 18, 2015, Quality Management Committee Meeting were distributed for review. Paula Meskan noted the following:

- Employee turnover rate has decreased. The goal is 5 employees per year – January and February there were no turnovers.
- Reduce inpatient readmissions from 6.8 to 6%. The current year-to-date rate is 1.13%, below goal.
- Reduce inpatient falls from 13 per year to 6. Year-to-date there have been no falls.

ACTION: No action taken at this time. These minutes will be added to next month's agenda to be accepted.

DIRECTOR COMMENTS

Todd Prafke: Invited Mr. Rohrich to attend a Council Meeting or Workshop to present the Audit Report. Mr. Rohrich invited Commission members to also attend the meeting.

Bob Meeks: Suggested adding one more Commission Member to each Committee. After discussion, it was decided Mr. Rohrich will add this to next month's agenda.

Stephanie Hill: Noted REHC hosted the Chamber After Hours event in April. It was very successful and we received a thank you card from the Chamber saying it was one of the best events. Ms. Hill is in the process of creating the next Community Hospital Newsletter which will include; audit information, Sarah Davis's trip to Guatemala, Highway clean up, and much more. Mission Monarch is in full swing. The landscapers are in the processes of getting the garden ready to plant sometime in the next week.

Jackie Kimmet: Noted the week of May 10, 2015, is Hospital Week. Ms. Kimmet invited the Commission Members to our May 13th lunch from 11:30 a.m. to 1:00 p.m. We will also be having a Recognition of Service event at the lunch. REHC has a lot of great activities planned for Hospital Week.

Paula Meskan: Noted the week of May 4, 2015, is Nurses Week. Debra Michalski has accepted the position of Surgical Services Manager. The High-Step students are ending their program, which means the students had to create portfolios. Ms. Meskan is looking for volunteers to interview the students on May 18 and 19 from 8 a.m. – 9:00 a.m. Any Commission member interested should contact Ms. Meskan.

George Rohrich: Suggested the Commission members look at the April agenda and decide if the Commission wants to set up a consent Agenda. After discussion it was decided that would be an efficient change. Mr. Rohrich noted Chairperson, Margie Nelson and Mr. Rohrich are now meeting once a month for lunch to discuss items CEO to Chairperson.

Blake Combellick: Noted on the Vital Statistics website, our Hospital is still listed as St. Peter Community Hospital, and that is our responsibility to have our name changed.

ADJOURNMENT

The Hospital Commission meeting was adjourned by mutual consensus at 3:01 p.m.

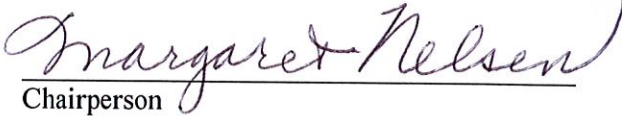
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NEXT MEETING

The next regular meeting of the Hospital Commission will be Wednesday, May 27, 2015, at 12:20 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 May 20, 2015, at 1:30 p.m. This meeting will convene in the River's Edge Hospital Helen G. White Conference Center.



Chairperson



Secretary